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August 6, 2018

Singapore Stock Exchange Securtiies Trading Limited
2, Shenton Way, # 19-00 SGX Centre 1,
Singapore – 068804

ISIN : XS1216623022

Dear Sir,

Sub: Exchange Offer Memorandum, Offering Circular and Media Release

We enclose herewith the Exchange Offer Memorandum, Offering Circular and Media Release dated August 6, 2018 being issued by the Company which is self explanatory.

Kindly inform your members accordingly.

Thanking You.

Yours faithfully
For **Reliance Communications Limited**



Prakash Shenoy
Company Secretary

Encl: as above.

Media Release

NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, AUSTRALIA, SOUTH AFRICA, CANADA, JAPAN OR TO ANY PERSON RESIDENT OR LOCATED IN THE REPUBLIC OF INDIA.

NOTHING IN THIS ANNOUNCEMENT CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES, AUSTRALIA, SOUTH AFRICA, CANADA, JAPAN, THE REPUBLIC OF INDIA OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR ANY OTHER JURISDICTION AND THE NEW NOTES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

RELIANCE COMMUNICATIONS LIMITED

TENDER AND EXCHANGE OFFER TO ALL HOLDERS OF THE OUTSTANDING US$300,000,000 SENIOR SECURED 6.5 PER CENT. NOTES DUE 2020 (ISIN: XS1216623022)

Mumbai, 6 August 2018:

Reliance Communications Limited ("RCOM") today announces that it has launched an invitation (the "Tender and Exchange Offer") to all holders of its outstanding US$300,000,000 senior secured 6.5 per cent. notes due 2020 (the "Existing Notes") to (i) offer for tender any and all of their Existing Notes to be purchased by RCOM at a discount in cash or (ii) offer to exchange any and all of their Existing Notes at a discount for US$45,000,000 zero coupon notes due 2023 (the "New Notes") to be issued by a wholly-owned subsidiary of RCOM, Global Cloud Xchange Limited.

RCOM reserves the right in its sole and absolute discretion to withdraw or terminate the Tender and Exchange Offer for any reason, upon notice to all holders.

The Tender and Exchange Offer is being launched by RCOM in the context of its broader debt restructuring and is in conjunction with a meeting of the holders (the "Meeting") of the Existing Notes which RCOM has convened in London on 10 August 2018 by a notice of meeting published on 19 July 2018 (the "Notice of Meeting"). The purpose of the Meeting is to solicit the approval of the holders to certain arrangements, proposals, waivers and modifications under the trust deed for the Existing Notes.

The Tender and Exchange Offer will expire at 9:00 a.m. (London time) on 22 August 2018 unless otherwise extended or earlier terminated upon notification by RCOM to all holders. The settlement date for the Tender and Exchange Offer is expected to be on or about 27 August 2018.

For detailed terms of the Tender and Exchange Offer, please refer to the tender and exchange offer memorandum and the offering circular for the New Notes, which may be obtained from the exchange agent for the Tender and Exchange Offer, Lucid Issuer Services Limited (the "Exchange Agent"), by emailing a request to reliance@lucid-is.com or by mailing or delivering a request to Lucid Issuer Services Limited, Tankerton Works, 12 Argyle Walk, London WC1H 8HA. Holders may also request a copy of the Notice of Meeting from the Exchange Agent.

Holders who wish to participate in the Tender and Exchange Offer should check with their custodian, bank, securities broker or any other intermediary through which they hold their Existing Notes and must complete an electronic instruction to be submitted through the clearing systems and received by the Exchange Agent by no later than 9:00 a.m. (London time) on 22 August 2018.

About Global Cloud Xchange ("GCX")

GCX is one of the leading global data communications service providers with one of the largest global subsea cable and terrestrial networks. Serving a diverse customer base, including major telecommunications carriers, large multinational enterprises and new media companies, GCX's wide range of products allows customers to create, manage and connect their networks globally.

GCX provides services through a global network of subsea cables, landing stations, terrestrial networks, IP network and managed network services platforms controlled by a fully redundant global network operating center ("GNOC") (collectively, the "GCX Global Network"). The GCX Global Network connects most of the major telecommunications hubs across the globe, from the developed markets in the U.S. and Europe to key emerging markets in the Middle East and Asia, including India and China. More information on GCX and its services can be found at https://www.globalcloudxchange.com/.

Queries in relation to the Tender and Exchange Offer may be directed to the Exchange Agent:

Lucid Issuer Services Limited
Attention: Yves Theis/Arlind Bytyqi
Telephone: +44 20 7704 0880
Email: reliance@lucid-is.com

The communication of this announcement and the tender and exchange offer memorandum, the offering circular for the New Notes and any other documents or materials relating to the Tender and Exchange Offer is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000, as amended. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Financial Promotion Order")) or persons who

are within Article 43 of the Financial Promotion Order or any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (together "relevant persons").

IMPORTANT NOTICE

NOT FOR DISTRIBUTION INTO THE UNITED STATES OF AMERICA, AUSTRALIA, SOUTH AFRICA, CANADA, JAPAN OR TO ANY PERSON RESIDENT OR LOCATED IN THE REPUBLIC OF INDIA.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the Tender and Exchange Offer Memorandum dated 3 August 2018 following this page (the "**Tender and Exchange Offer Memorandum**") and you are therefore advised to read this disclaimer page carefully before accessing, reading or making any other use of the Tender and Exchange Offer Memorandum. In accessing the Tender and Exchange Offer Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them published by the Existing Issuer prior to the Modification Deadline (as defined below), each time you receive any information from Lucid Issuer Services Limited as the exchange, information and tabulation agent (the "**Exchange Agent**").

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES, AUSTRALIA, SOUTH AFRICA, CANADA, JAPAN, THE REPUBLIC OF INDIA OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR ANY OTHER JURISDICTION AND THE NEW NOTES (AS DEFINED IN THE TENDER AND EXCHANGE OFFER MEMORANDUM) MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE TENDER AND EXCHANGE OFFER MEMORANDUM IS PERSONAL TO THE RECIPIENT AND MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE TENDER AND EXCHANGE OFFER MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your representation: You have been sent the Tender and Exchange Offer Memorandum at your request and on the basis that:

(i) you are a Holder of the US$300,000,000 6.5% senior secured notes due 2020, ISIN: XS1216623022 (the "**Existing Notes**"), issued by Reliance Communications Limited (the "**Existing Issuer**");

(ii) you are a person to whom it is lawful to send the Tender and Exchange Offer Memorandum or make an invitation to participate in the Tender and Exchange Offer (as defined in the Tender and Exchange Offer Memorandum) under applicable laws;

(iii) you: (a) have not received or been sent copies of the Tender and Exchange Offer Memorandum or any related documents directly or indirectly, in, into, or from the United States of America (the "**United States**") or by use of the mail of, or by any means or instrumentality (including, without limitation, facsimile transmission, electronic mail, telex, telephone, and the internet) of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States; (b) are not located or resident in the United States and are not a U.S. person; (c) are participating in the Tender and Exchange Offer in an offshore transaction in accordance with Regulation S under the Securities Act; and (d) are not an agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions with respect to the Tender and Exchange Offer from within the United States or for a U.S. person;

(iv) if you are a resident or located in the Republic of Italy or are acting on behalf of persons resident in and/or located in the Republic of Italy, you are either: (a) a holder of the Existing Notes who is a qualified investor (*investitori qualificati*), pursuant to Article 100 of Legislative Decree no. 58 dated February 24, 1998, as amended (the "**Financial Services Act**"), as defined in Article 34-ter of

Regulation no. 11971 dated May 14, 1999 of Commissione Nazionale delle Società e della Borsa (the Italian Securities Exchange Commission, the "**CONSOB**"), as amended from time to time ("**Regulation no. 11971**"); or (b) are receiving this Tender and Exchange Offer Memorandum pursuant to another exemption from the requirement 24f Article 94 et seq. of the Financial Services Act and Regulation no. 11971, as amended;

(v) you are not a Person Resident in India (as defined in the Foreign Exchange Management Act, 1999, as amended);

(vi) if you are resident or located in Australia, you are a professional investor as defined in section 9 of the Corporations Act 2001 (Cth) or a wholesale client as defined in section 761G of the Corporations Act 2001 (Cth);

(vii) if you are resident or located in France, you are either: (a) a qualified investor (*investisseurs qualifiés*) who is not an individual; or (b) a provider of investment services relating to portfolio management for the account of third parties (all as defined in Article L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code monétaire et financier);

(viii) if you are resident or located in Belgium, you are a "**qualified investor**" referred to in Article 6, paragraph 3 of the Law of 1 April 2007 on public acquisition offers, acting on your own account;

(ix) if you are resident or located in Hong Kong, you are (a) a professional investor as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; and (b) will only receive the Tender and Exchange Offer Memorandum in circumstances which do not result in the Tender and Exchange Offer Memorandum being a "**prospectus**" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance;

(x) if you are resident or located in Malaysia, you are a person who can receive the Tender and Exchange Offer Memorandum within the conditions specified in Schedules 6 and 7 of the Capital Markets and Services Act 2007;

(xi) if you are resident or located in the Philippines you are a person whose receipt of the Tender and Exchange Offer Memorandum constitutes an exempt transaction under the Securities Regulation Code (Republic Act No. 8799);

(xii) if you are resident or located in Singapore, you are a holder of Existing Notes and you acknowledge that the Tender and Exchange Offer Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore and is only made available to holders of Existing Notes. Accordingly, you undertake not to circulate or distribute the Tender and Exchange Offer Memorandum or any offering document or material in relation to the New Notes to any persons in Singapore and not to offer or sell or make the subject of an invitation for subscription or purchase, whether directly or indirectly, the New Notes to any persons in Singapore other than pursuant to, and in accordance with the conditions of, an exemption under any provision of Subdivision (4) of Division 1 of Part XIII of the Securities and Futures Act, Chapter 289 of Singapore;

(xiii) if you are resident or located in Spain, you are a qualified investor ("**Inversores Cualificados**") as defined in article 39 of the Spanish Royal Decree 1310/2005 of November 4, 2005 or you have received the Tender and Exchange Offer Memorandum pursuant to and in compliance with Law 24/1988, as amended, Royal Decree 1310/2005 and any regulation issued thereunder;

(xiv) you have not acquired the Tender and Exchange Offer Memorandum in Switzerland other than lawfully on a private placement basis;

(xv) if you are resident or located in the United Kingdom, you are either: (a) a person falling within the definition of investment professional (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**")); or (b) a high net worth entity as defined in the Order or another person to whom the offer may lawfully be communicated falling within Article 49(2)(a) to (e) of the Order; or (c) a person falling within Article 43 of the Order; and

(xvi) you consent to delivery of the Tender and Exchange Offer Memorandum by electronic transmission to you.

The Tender and Exchange Offer Memorandum has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Existing Issuer, the New Issuer, the Exchange Agent, the Existing Notes Trustee, the Existing Notes Principal Paying Agent, the Trustee or any person who controls, or any director, officer, employee, agent or affiliate of, any such person accepts any liability or responsibility whatsoever in respect of any difference between the Tender and Exchange Offer Memorandum distributed to you in electronic form and the hard copy version available to you on request from the Existing Issuer or the Exchange Agent.

You are otherwise reminded that the Tender and Exchange Offer Memorandum has been sent to you on the basis that you are a person into whose possession the Tender and Exchange Offer Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are resident and/or located and you may not, nor are you authorised to, deliver the Tender and Exchange Offer Memorandum to any other person. The Tender and Exchange Offer Memorandum should not be distributed, published or reproduced (in whole or in part) or disclosed to any other persons and it, along with its contents are, confidential.

The distribution of the Tender and Exchange Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession the Tender and Exchange Offer Memorandum comes are required by the Existing Issuer, the New Issuer and the Exchange Agent to inform themselves about, and to observe, any such restrictions.

You are responsible for protecting against viruses and other destructive items: Your receipt of this electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Tender and Exchange Offer Memorandum dated 3 August 2018.

Not for distribution into the United States, Australia, South Africa, Canada, Japan or to any person resident or located in the Republic of India.

The Tender and Exchange Offer is not being made to, and offers will not be accepted from, or on behalf of, Holders in any jurisdiction in which the making of the Tender and Exchange Offer would not be in compliance with the laws or regulations of such jurisdiction.

This Tender and Exchange Offer Memorandum contains important information which should be read carefully before any decision is made to participate in the Tender and Exchange Offer. If you are in any doubt as to the action you should take, you are recommended to seek your own financial and legal advice, including in respect of any tax consequences, immediately from your stockbroker, bank manager, accountant or other independent financial adviser.

Any individual or company whose Existing Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if they wish to participate in the Tender and Exchange Offer. Lucid Issuer Services Limited, as the Exchange Agent (and its respective agents, directors, employees or affiliates) does not make any recommendation as to whether or not Holders should offer to tender or exchange their Existing Notes in accordance with the Tender and Exchange Offer.

Unless otherwise defined herein or the context otherwise requires, capitalized expressions used in this Tender and Exchange Offer Memorandum shall have the meanings set out under the section headed "Definitions" herein.

Reliance Communications Limited

(Indian Corporate Identification No. L45309MH2004PLC147531)
(*incorporated with limited liability under the laws of the Republic of India*)

(the "Existing Issuer")

Invitation to Holders of its US$300,000,000 6.5% Senior Secured Notes due 2020
ISIN: XS1216623022, Common Code: 121662302
(the "Existing Notes")

To offer to tender any and all Existing Notes for purchase in cash by the Existing Issuer

Or to offer to exchange any and all Existing Notes

for

U.S.$45,000,000 Zero Coupon Notes due 2023 (the "New Notes") issued by Global Cloud Xchange Limited (the "New Issuer")

The Existing Issuer hereby invites all eligible Holders of the Existing Notes to offer to tender any and all of their Existing Notes for purchase in cash by the Existing Issuer, or to offer to exchange their Existing Notes for New Notes issued by the New Issuer, on the terms and subject to the conditions set out in this Tender and Exchange Offer Memorandum and in the Offering Circular in Annex A. The Tender and Exchange Offer expires at 9:00 am London time on 22 August 2018, unless extended or earlier terminated (such time, as the same may be extended or brought forward, the "Expiration Time" and such date, as the same may be extended or brought forward, the "Expiration Date").

IN CONJUNCTION WITH THE TENDER AND EXCHANGE OFFER, THE EXISTING ISSUER HAS CONVENED A MEETING OF HOLDERS AT 9:00 A.M. LONDON TIME ON 10 AUGUST 2018 BY A NOTICE OF MEETING DATED 19 JULY 2018 TO CONSIDER, AND IF THOUGHT FIT, APPROVE CERTAIN ARRANGEMENTS, PROPOSALS, MODIFICATIONS AND WAIVERS PURSUANT TO THE EXISTING ISSUER'S TRUST DEED AND CONDITIONS. ALL INFORMATION RELEVANT TO THE MEETING OF HOLDERS IS CONTAINED IN THE NOTICE OF MEETING, A COPY OF WHICH IS IN ANNEX B TO THIS TENDER AND EXCHANGE OFFER MEMORANDUM.

THE TENDER AND EXCHANGE OFFER IS CONDITIONAL UPON CERTAIN CONDITIONS PRECEDENT OUTLINED BELOW UNDER "TERMS OF THE TENDER AND EXCHANGE OFFER - CONDITIONS PRECEDENT". THE TENDER AND EXCHANGE OFFER REQUIRES A HOLDER OF EXISTING NOTES WHO WISHES TO PARTICIPATE IN THE TENDER AND EXCHANGE OFFER TO SEND EITHER AN ELECTRONIC TENDER INSTRUCTION OR AN ELECTRONIC EXCHANGE INSTRUCTION (EACH, AN "ELECTRONIC INSTRUCTION"), WHICH IS REQUIRED TO CONTAIN THE INFORMATION SET OUT IN ANNEX C.

SUCH ELECTRONIC INSTRUCTION SHOULD INDICATE WHETHER THE HOLDER WISHES TO OFFER FOR TENDER ALL OR SOME OF THEIR EXISTING NOTES TO BE PURCHASED BY THE EXISTING ISSUER IN CASH OR OFFER FOR EXCHANGE ALL OR SOME OF THEIR EXISTING NOTES FOR NEW NOTES, ON THE TERMS AND SUBJECT TO THE CONDITIONS SET OUT IN THIS TENDER AND EXCHANGE OFFER MEMORANDUM. THE ELECTRONIC INSTRUCTION MUST BE SUBMITTED THROUGH THE RELEVANT CLEARING SYSTEM IN ACCORDANCE WITH THEIR PROCEDURES, AND MUST BE RECEIVED BY THE EXCHANGE AGENT BY NO LATER THAN 9:00 AM LONDON TIME ON 22 AUGUST 2018.

By 5:00 p.m. (London time) on 24 August 2018, the Existing Issuer intends to announce whether the Conditions Precedent (as defined below) have been satisfied or waived by the Existing Issuer (in so far as they are capable of being waived), and if they have either been satisfied or waived: (i) the total aggregate principal amount of Existing Notes to be purchased in cash by the Existing Issuer in accordance with the Tender Ratio; and (ii) the total aggregate principal amount of Existing Notes to be exchanged, along with the total aggregate principal amount of New Notes that the New Issuer will issue, in each case, pursuant to the Tender and Exchange Offer. Questions in connection with the delivery of Electronic Instructions may be directed to the Exchange Agent whose contact details are on the last page of this Tender and Exchange Offer Memorandum.

Before making any decisions in respect of the Tender and Exchange Offer, Holders should carefully consider all of the information in this Tender and Exchange Offer Memorandum and, in particular, the information set forth in the Offering Circular in Annex A and the Notice of Meeting in Annex B. Holders should also consider the Risk Factors set out under "Risk Factors" below.

Holders who submit their Existing Notes for tender or exchange will be deemed to have given instructions to the relevant Clearing System to appoint a representative of the Exchange Agent to vote as proxy in favour of the Extraordinary Resolutions proposed at the Meeting of Holders for the Existing Notes and any adjournment thereof convened prior to 31 August 2018 (but not any subsequent adjournment) in respect of the entire principal amount of Existing Notes submitted by such Holder for tender or exchange (each such Holder, a "Consenting Holder").

Subject to the satisfaction or waiver by the Existing Issuer (in so far as they are capable of being waived) of the Conditions Precedent, all Consenting Holders will be entitled to receive a cash payment equal to the Consent Fee (as defined below) which will be paid within 4 months of the Settlement Date.

The Tender and Exchange Offer is not being made, and will not be made, directly or indirectly, in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce of, or of any facilities of a national securities exchange of, the United States as defined in Regulation S under the United States Securities Act of 1933, as amended (the "**Securities Act**"). This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone and the internet. Accordingly, copies of this Tender and Exchange Offer Memorandum and any other documents or materials relating to the Tender and Exchange Offer are not being

and must not be, directly or indirectly, mailed or otherwise transmitted or distributed in or into the United States. Any purported offers to tender Existing Notes for purchase in cash or to exchange Existing Notes for New Notes pursuant to the Tender and Exchange Offer resulting directly or indirectly from a violation of these restrictions will be invalid and offers to exchange made by a resident of the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will not be accepted. The Tender and Exchange Offer and the distribution of this Tender and Exchange Offer Memorandum in the United States, Australia, South Africa, Canada, Japan, India and certain other jurisdictions are restricted by the laws of those jurisdictions. No action has been or will be taken in any jurisdiction in relation to the Tender and Exchange Offer that would permit a public offering of securities.

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The Existing Issuer and the New Issuer accept full responsibility for the information contained in this Tender and Exchange Offer Memorandum and having made all reasonable enquiries, confirm that the information contained in this Tender and Exchange Offer Memorandum is in accordance with the facts, is true and accurate in all material respects and is not misleading in any material respect and that there are no other facts the omission of which would make this Tender and Exchange Offer Memorandum or any such information misleading in any material respect. The information contained in this Tender and Exchange Offer Memorandum is as of the date hereof. The Existing Issuer and the New Issuer accordingly accept responsibility for the information contained in this Tender and Exchange Offer Memorandum as of the date hereof.

Each Holder is solely responsible for making its own independent appraisal of all matters (including those relating to the Tender and Exchange Offer, the New Notes and the New Issuer) as such Holder deems appropriate, and each Holder must make its own decision as to whether to tender Existing Notes for purchase in cash or offer to exchange Existing Notes for New Notes and, if so, the aggregate principal amount of the Existing Notes to be tendered or offered, as applicable. Lucid Issuer Services Limited (the "Exchange Agent") is an agent of the Existing Issuer and owes no duty to any Holder. None of the Exchange Agent, Madison Pacific Trust Limited, as trustee for the Existing Notes (the "Existing Notes Trustee"), Madison Pacific Trust Limited, as Existing Notes Principal Agent, or Madison Pacific Trust Limited, as trustee for the New Notes, in the event that the New Notes are issued as contemplated hereby (the "Trustee") or their respective directors, employees or affiliates make any representation or recommendation whatsoever regarding this Tender and Exchange Offer Memorandum or the Tender and Exchange Offer. None of the Exchange Agent, the Trustee, the Existing Notes Trustee the Existing Notes Principal Agent, the Existing Issuer or the New Issuer makes any recommendation as to whether Holders of Existing Notes should participate in the Tender and Exchange Offer.

Madison Pacific Trust Limited, as the Existing Notes Trustee and as the Trustee, have not been involved with the formulation of the Tender and Exchange Offer, have not approved this Tender and Exchange Offer Memorandum or the terms of the Tender and Exchange Offer and, in accordance with usual practice, express no opinion on the merits of the Tender and Exchange Offer.

No person has been authorized to give any information or to make any representation about the Existing Issuer or the Tender and Exchange Offer other than as contained in this Tender and Exchange Offer Memorandum and, if given or made, such information or representation must not be relied upon as having been authorized by the Existing Issuer, the New Issuer, the Trustee, the Existing Notes Trustee, the Existing Notes Principal Agent, the Exchange Agent or any of their respective agents, directors, employees or affiliates.

By participating in the Tender and Exchange Offer each Holder acknowledges that the appointment of the Trustee, Paying Agent, Transfer Agent and Registrar in connection with the New Notes is subject to internal approvals by the entities named as such in this Tender and Exchange Offer Memorandum. Accordingly, the entities that are ultimately appointed as Trustee, Paying Agent, Transfer Agent and Registrar in connection with the New Notes may be different from the entities shown in this Tender and Exchange Offer Memorandum.

Neither the delivery of this Tender and Exchange Offer Memorandum nor any acceptance of an offer to tender or exchange by a Holder or any acquisition of New Notes shall, under any circumstances, create any implication that the information contained herein is current as at any time subsequent to the date of such information or that there has been no change in the information set out in it or in the affairs of the Existing Issuer or the New Issuer, on a consolidated basis, since the date of this Tender and Exchange Offer Memorandum.

In this Tender and Exchange Offer Memorandum, unless otherwise specified or the context otherwise requires, references to "U.S. dollars" and "US$" are to the currency of the United States of America.

The applicable provisions of the Financial Services and Markets Act 2000 must be complied with in respect of anything done in relation to the Tender and Exchange Offer in, from or otherwise involving the United Kingdom.

Holders may contact the Exchange Agent for assistance in answering questions concerning the terms of the Tender and Exchange Offer at the contact details set out on the last page of this Tender and Exchange Offer Memorandum. Questions relating to the procedures for tender or exchange, including the blocking of Existing Notes with Euroclear Bank S.A./N.V. ("Euroclear"), or Clearstream Banking, société anonyme ("Clearstream, Luxembourg"), should be addressed exclusively to the Exchange Agent, whose contact details are set out on the last page of this Tender and Exchange Offer Memorandum. All procedures relating to the Tender and Exchange

Offer may be conducted through, and all information relating to the Tender and Exchange Offer and the New Notes (including copies of this Tender and Exchange Offer Memorandum) may, subject as set out under "Offer Restrictions" below, be obtained from the Exchange Agent.

Unless the context otherwise requires, all references in this Tender and Exchange Offer Memorandum to Holders include:

(a) each Direct Participant in respect of the Existing Notes; and

(b) each Holder of the Existing Notes holding such Existing Notes, directly or indirectly, in an account in the name of a Direct Participant acting on such Holder's behalf,

except that for the purposes of the exchange of Existing Notes for the New Notes, to the extent the Holder of the relevant Existing Notes is not a Direct Participant, the relevant New Notes will only be delivered and paid to the relevant Direct Participant and the delivery and payment of such New Notes to such Direct Participant will satisfy any obligations of the Existing Issuer, the New Issuer, the Exchange Agent and the relevant Clearing System in respect of the exchange of such Existing Notes.

As used in this Tender and Exchange Offer Memorandum, "Meeting of Holders" refers to the meeting of Holders of Existing Notes convened by the Existing Issuer on 10 August 2018 pursuant to the Notice of Meeting published on 19 July 2018. The submission of an Electronic Instruction upon the terms set forth in this Tender and Exchange Offer Memorandum will constitute instructions to appoint a representative of the Exchange Agent to vote as proxy in favour of the Extraordinary Resolutions at the Meeting of Holders and any adjournment thereof convened prior to 31 August 2018 (but not any subsequent adjournment) in respect of the entire principal amount of Existing Notes that are the subject of such Electronic Instruction.

OFFER RESTRICTIONS

This Tender and Exchange Offer Memorandum does not constitute an offer, or an invitation to participate in the Tender and Exchange Offer, or a solicitation of directions to vote in favour of the Extraordinary Resolutions in any jurisdiction in or from which, or to any person to whom, it is unlawful to make such offer or invitation under applicable laws. The distribution of this Tender and Exchange Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this Tender and Exchange Offer Memorandum comes are required by each of the Existing Issuer, the New Issuer and the Exchange Agent to inform themselves about, and to observe, any such restrictions.

No action has been or will be taken in any jurisdiction by the Existing Issuer, the New Issuer or the Exchange Agent that would constitute a public offering of the New Notes.

General

The distribution of this Tender and Exchange Offer Memorandum is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Tender and Exchange Offer Memorandum are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Tender and Exchange Offer Memorandum may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

The Tender and Exchange Offer does not constitute an offer to buy or the solicitation of an offer to sell the Existing Notes and/or the New Notes in any circumstances in which such offer or solicitation is unlawful.

United States

The Tender and Exchange Offer is not being made, and will not be made, directly or indirectly, in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone and the internet. Accordingly, copies of this Tender and Exchange Offer Memorandum and any other documents or materials relating to the Tender and Exchange Offer are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded in or into the United States and the Tender and Exchange Offer cannot be accepted by any such use, means, instruments or facilities or from within the United States. Any purported Offer to Tender or Exchange Existing Notes resulting directly or indirectly from a violation of these restrictions will be invalid, and any purported Offer to Tender or Exchange made by a resident of the United States or from the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

This Tender and Exchange Offer Memorandum is not an offer of securities for sale in the United States. The Existing Notes and the New Notes have not been, and will not be, registered under the Securities Act or the securities laws of any state or jurisdiction of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States. The purpose of this Tender and Exchange Offer Memorandum is limited to the Tender and Exchange Offer and this Tender and Exchange Offer Memorandum may not be sent or given other than in an offshore transaction in accordance with Regulation S under the Securities Act. Each Holder participating in the Tender and Exchange Offer will represent that (i) it is offering the New Notes in an offshore transaction in accordance with Regulation S under the Securities Act, (ii) it is not located or resident in the United States, (iii) and it is not a U.S. person and that it is not an agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions with respect to the Tender and Exchange Offer from within the United States or for a U.S. person.

India

The Tender and Exchange Offer is not being made in India. This Tender and Exchange Offer Memorandum does not constitute an offer to the public to buy or the solicitation of an offer to sell the Existing Notes or the New Notes in India. Persons Resident in India (as defined in the Foreign Exchange Management Act, 1999, as amended) are not permitted by applicable law to hold the Existing Notes or the New Notes. Accordingly, Holders are notified that, to the extent Holders are Persons Resident in India, the Tender and Exchange Offer is not available to them and they may not participate in the Tender and Exchange Offer and, as such, any Electronic Instruction received from such persons shall be ineffective and void, and neither this Tender and

Exchange Offer Memorandum nor any other offering material relating to the Tender and Exchange Offer or the New Notes may be distributed or made available in India.

Hong Kong

The New Notes have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong.

No advertisement, invitation or document relating to the Tender and Exchange Offer or the New Notes (including this Tender and Exchange Offer Memorandum) has been issued or will be issued, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

Singapore

This Tender and Exchange Offer Memorandum has not been, and will not be, registered as a prospectus with the Monetary Authority of Singapore (the "MAS"), and the New Notes will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, this Tender and Exchange Offer Memorandum, the Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the New Notes may not be circulated or distributed, nor may the New Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any persons in Singapore other than (i) to an institutional investor pursuant to Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the New Notes are subscribed or purchased in reliance of an exemption under Section 274 or 275 of the SFA, the New Notes shall not be sold within the period of 6 months from the date of the initial acquisition of the New Notes, except to any of the following persons:

(i) an institutional investor (as defined in Section 4A of the SFA);

(ii) a relevant person (as defined in Section 275(2) of the SFA); or

(iii) any person pursuant to an offer referred to in Section 275(1A) of the SFA,

unless expressly specified otherwise in Section 276(7) of the SFA or Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore (the "SFR").

Where the New Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable within six (6) months after that corporation or that trust has acquired the New Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person (as defined in Section 275(2) of the SFA), or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) pursuant to Section 276(7) of the SFA; or

(v) pursuant to Regulation 32 of the SFR.

Italy

The New Notes have not been registered in Italy pursuant to Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive") and Italian securities legislation and, accordingly, no Existing Notes may be offered for Exchange into New Notes, nor may copies of this Tender and Exchange Offer Memorandum or of any other document relating to the New Notes be distributed in Italy, except:

(i) to the current Holders of the Existing Notes who are qualified investors (investitori qualificati), pursuant to Article 100 of Legislative Decree no. 58 dated February 24, 1998, as amended (the "Financial Services Act"), as defined in Article 34-ter of Regulation no. 11971 dated May 14, 1999 of Commissione Nazionale delle Società e della Borsa (the Italian Securities Exchange Commission, the "CONSOB"), as amended from time to time ("Regulation no. 11971"); or

(ii) pursuant to another exemption from the requirement of Article 94 et seq. of the Financial Services Act and Regulation no. 11971, as amended.

Any offer to exchange or deliver the Existing Notes or any distribution of copies of this Tender and Exchange Offer Memorandum or any other document relating to the New Notes or this Tender and Exchange Offer Memorandum, in Italy must be effected in accordance with all Italian securities, tax, exchange control and other applicable laws and regulations, and, in particular, will be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of October 29, 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended (the "Banking Act") and any other applicable laws and regulations;

(ii) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in Italy; and

(iii) in compliance with any other applicable laws and regulations or notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

This Tender and Exchange Offer Memorandum and the information contained herein are intended only for the use of its recipient and are not to be distributed to any third-party resident or located in Italy for any reason. No person resident or located in Italy other than the original recipients of this document may rely on it or its contents.

Article 100-bis of the Financial Services Act affects the transferability of the New Notes in Italy to the extent that any placing of the New Notes is made solely with qualified investors and such Notes are then systematically resold to non-qualified investors on the secondary market at any time in the 12 months following such placing. Where this occurs, if a prospectus compliant with the Prospectus Directive has not been published, purchasers of Notes who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and to claim damages from any authorized person at whose premises the New Notes were purchased, unless an exemption provided for under the Financial Services Act applies.

Spain

The Tender and Exchange Offer is not being made, directly or indirectly, to any resident of Spain other than qualified investors ("Inversores Cualificados") as defined in Article 39 of the Spanish Royal Decree 1310/2005, of November 4, 2005. This Tender and Exchange Offer Memorandum has not been registered with the Comisión Nacional del Mercado de Valores. Accordingly, this Tender and Exchange Offer Memorandum and any other offering material relating to the Tender and Exchange Offer, the Existing Notes or the New Notes may only be distributed or made available in Spain to qualified investors pursuant to and in compliance with Law 24/1988, as amended, Royal Decree 1310/2005, and any regulation issued thereunder.

United Kingdom

The communication of this Tender and Exchange Offer Memorandum is not being made by and this Tender and Exchange Offer Memorandum has not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. This Tender and Exchange Offer Memorandum is only for circulation to persons within the United Kingdom falling within the definition of Investment Professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order")) or within Article 43 of the Order, or other persons to whom it may lawfully be communicated in accordance with the Order.

Belgium

The Tender and Exchange Offer is not being made, directly or indirectly, to the public in Belgium. Neither the Tender and Exchange Offer nor this Tender and Exchange Offer Memorandum has been notified to the Belgian Banking, Finance and Insurance Commission (Commission bancaire, financière et des assurances) pursuant to Article 18 of the Belgian law of 22 April 2003 on the public offering of securities (the "Law on Public Offerings") nor has this Tender and Exchange Offer Memorandum been, nor will it be, approved by the Belgian Banking, Finance and Insurance Commission pursuant to Article 14 of the Law on Public Offerings. Accordingly, the Tender and Exchange Offer may not be advertised and both this Tender and Exchange Offer Memorandum and any other information circular, brochure or similar document relating to the Tender and Exchange Offer may be distributed, directly or indirectly, in Belgium only to qualified investors referred to in Article 6, paragraph 3 of the Law of 1 April 2007 on public acquisition offers, acting for their own account.

France

This Tender and Exchange Offer is not being made, directly or indirectly, to the public in France and only qualified investors (Investisseurs Qualifiés) a provider of investment services relating to portfolio management for the account of third parties, all as defined in and in accordance with Articles L.411-1, L.411-2 and D.411-1 and D.411-3 of the French Code Monétaire et Financier are eligible to accept this Tender and Exchange Offer. This Tender and Exchange Offer Memorandum and any other offering material relating to this Tender and Exchange Offer have not been and shall not be distributed to the public in France. This Tender and Exchange Offer Memorandum has not been submitted to the clearance of the Autorité des marchés financiers.

Switzerland

The New Notes may not be publicly offered, sold or advertised, directly or indirectly, in or from Switzerland. Neither this Tender and Exchange Offer Memorandum nor any other offering or marketing material relating to the Existing Issuer, the New Issuer or the New Notes constitutes a prospectus as that term is understood pursuant to Article 652a or 1156 of the Swiss Federal Code of Obligations, and neither this Tender and Exchange Offer Memorandum nor any other offering material relating to the New Issuer or the New Notes may be publicly distributed or otherwise made publicly available in Switzerland. The New Notes will be offered in Switzerland and this Tender and Exchange Offer Memorandum and any prospectus relating to the New Notes will be distributed or otherwise made available in Switzerland, on a private placement basis only. No application has been made, and no application will be made, for a listing of the New Notes on the SWX Swiss Exchange, and consequently, the information presented in this Tender and Exchange Offer Memorandum does not necessarily comply with the information standards set out in the relevant listing rules. The New Notes have not been registered, and are not going to be registered, with the Swiss Federal Banking Commission as foreign investment funds, and the investor protection afforded to acquirers of investment fund certificates does not extend to acquirers of the New Notes. Holders are advised to contact their legal, financial or tax advisers to obtain an independent assessment of the financial and tax consequences of an investment in the New Notes.

Australia

The Tender and Exchange Offer is being made and New Notes are only available to professional investors as defined in section 9 of the Corporations Act 2001 (Cth) or wholesale clients as defined in section 761G of the Corporations Act 2001 (Cth).

Malaysia

The Tender and Exchange Offer is being made and New Notes are only available to persons within the conditions specified in Schedules 6 and 7 of the Capital Markets and Services Act 2007.

Philippines

The Tender and Exchange Offer is being made and New Notes are only available to persons where the Tender and Exchange Offer or subscription of New Notes constitutes an exempt transaction under the Securities Regulation Code (Republic Act No. 8799).

European Economic Area

The New Notes are not intended to be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC ("IMD"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "Prospectus Directive").

Consequently no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the New Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the New Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive, the New Notes may only be offered, sold or otherwise made available to legal entities which are qualified investors as defined in the Prospectus Directive.

SUMMARY OF THE TENDER AND EXCHANGE OFFER

The following is a general summary of the terms of the Tender and Exchange Offer. The following does not purport to be complete and is qualified in its entirety by the more detailed terms of the Tender and Exchange Offer that are set out in the section "Terms of the Tender and Exchange Offer" of this Tender and Exchange Offer Memorandum which shall prevail to the extent of any inconsistency with this section. Capitalized terms shall, unless the context otherwise requires, have the meanings set out in the "Definitions" section of this Tender and Exchange Offer Memorandum.

Tender and Exchange Offer	**Upon the terms and subject to the conditions set out in this Tender and Exchange Offer Memorandum, the Existing Issuer invites all eligible Holders to (i) offer to tender their Existing Notes for purchase by the Existing Issuer in cash in accordance with the Tender Ratio; or (ii) offer to exchange their Existing Notes for the New Notes in accordance with the Exchange Ratio.** The Tender and Exchange Offer will commence on the date of this Tender and Exchange Offer Memorandum. By participating in the Tender and Exchange Offer, each Holder agrees that the tender of its outstanding Existing Notes for purchase by the Existing Issuer in cash in accordance with the Tender Ratio or the exchange of its outstanding Existing Notes for the New Notes in accordance with the Exchange Ratio and the receipt of the cash amount or the New Notes, as applicable, by such Holder constitutes the payment of full consideration by the Existing Issuer, or by the New Issuer on behalf of the Existing Issuer, as applicable, for such outstanding Existing Notes. **Each Holder further agrees that the receipt by such Holder of the cash amount or the New Notes in respect of any Existing Notes shall constitute full and final discharge of the Existing Issuer's obligations to such Holder under the Existing Notes Conditions with respect to payment of principal, accrued interest and default interest on such Existing Notes and no other amounts shall be payable to such Holder in respect of such Existing Notes to the extent provided in the terms of the Tender and Exchange Offer. The Tender and Exchange Offer is being made upon the terms and subject to the conditions set out in this Tender and Exchange Offer Memorandum.**
Conditions Precedent	The Tender and Exchange Offer will not become unconditional and the settlement cannot occur, unless certain conditions precedent have been satisfied or waived by the Existing Issuer (in so far as they are capable of being waived). See "**Terms of the Tender and Exchange Offer - Conditions Precedent**".
Tender Ratio	The price payable in cash to each Holder who offers Existing Notes for tender will be calculated as a percentage of the principal amount of Existing Notes validly offered for tender by such Holder. This percentage has not yet been determined but will be a minimum of 3.5% of the principal amount of Existing Notes validly offered by each Holder for tender. The minimum price payable in cash to a Holder for Existing Notes validly offered for tender will therefore be US$35 for every US$1,000 in principal amount of Existing Notes tendered and the Existing Issuer will notify the Holders on or around the date of the First Partial Redemption of the price at which Existing Notes validly offered for tender and not validly revoked will be purchased.

Exchange Ratio	The aggregate principal amount of New Notes that will be issued is US$45,000,000 to be allocated *pro rata* among all Holders who validly offer to exchange Existing Notes for New Notes in accordance with the Tender and Exchange Offer. The number of New Notes that will be allocated to each Holder who validly offers Existing Notes to be exchanged for New Notes in accordance with the Tender and Exchange Offer will therefore be a principal amount, equal to the product of US$45,000,000 multiplied by a fraction, the numerator of which is the aggregate principal amount of Existing Notes which such Holder has validly offered for exchange and not validly revoked and the denominator of which is the total aggregate principal amount of Existing Notes which all other Holders have validly offered for exchange and not validly revoked. New Notes will be issued in minimum denominations of US$200,000 and increments of US$1 in excess thereof. Fractions of New Notes will not be issued to Holders on exchange. An Electronic Exchange Instruction in respect of holdings of Existing Notes which do not meet the minimum denominations applicable to New Notes based on the Exchange Ratio will be automatically converted to an Electronic Tender Instruction and the holdings subject to such instruction will be accepted instead for tender in accordance with the Tender Ratio.
Eligibility	In order to be eligible to hold New Notes, a Holder must fit into one of the following categories: (a) a qualified investor (as defined in the Prospectus Directive) who is not a U.S. Person (as such term is defined under Regulation S of the U.S. Securities Act of 1933) outside of the U.S. or (b) a person to whom this Tender and Exchange Offer can otherwise be lawfully made and that may lawfully participate in the Tender and Exchange Offer. In its absolute discretion at any time prior to the Expiration Time on the Expiration Date, the Existing Issuer may extend the classification of eligibility to also include any person (U.S. person or otherwise) that (i) is in a category of investors that has been approved to participate by the Existing Issuer in its absolute discretion; and (ii) is a person to whom the Tender and Exchange Offer can otherwise be lawfully made and that may lawfully participate in the Tender and Exchange Offer.
Accrued Interest and Default Interest	The Existing Issuer will not make any payments to Holders on account of accrued interest or default interest. The Tender Ratio excludes any amounts due to the Holders as accrued interest or default interest. The Existing Issuer has sought the approval of the Holders in the Extraordinary Resolutions proposed at the Meeting of Holders to amend the terms and conditions of the Existing Notes to provide that interest on the Existing Notes shall cease to accrue as of the date when the amended terms and conditions come into effect. The Existing Issuer has also sought a waiver from the Holders in the Extraordinary Resolutions proposed at the Meeting of Holders of their right to receive accrued interest and unpaid interest on the Existing Notes as of the last date paid and a waiver of any Event of Default that has occurred and is continuing in relation to any non-payment of interest.
Existing Notes	US$300,000,000 6.5% senior secured notes due 6 November 2020 of the Existing Issuer, (ISIN: XS1216623022, common code: 121662302). As at the date of this Tender and Exchange Offer Memorandum, the aggregate principal amount of outstanding Existing Notes is US$300,000,000.

Listing	The New Issuer undertakes to use commercially reasonable efforts to obtain and maintain a listing and quotation of the New Notes on the SGX-ST within 3 months of the Settlement Date and the New Issuer undertakes to comply with the listing criteria and the rules and regulations of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained in this Tender and Exchange Offer Memorandum. Approval in-principle for the listing and quotation of the New Notes and admission of the New Notes to the Official List of the SGX-ST are not to be taken as an indication of the merits of the Tender and Exchange Offer, the New Issuer, its subsidiaries or any of its associated companies or of the New Notes. For so long as the New Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the New Issuer will appoint and maintain a paying agent in Singapore, where the New Notes may be presented or surrendered for payment or redemption. In addition, in the event that the global note is exchanged for individual definitive notes, an announcement to this effect will be made by or on behalf of the New Issuer through the SGX-ST. Such announcement will include all material information with respect to the delivery of the individual definitive notes, including details of the paying agent in Singapore. For so long as the New Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the New Notes will be traded on the SGX-ST in a minimum board lot size of US$200,000.
Meeting of Holders	A meeting of Holders of the Existing Notes has been convened by the Existing Issuer for 10 August 2018 at 9:00 a.m. London time by a Notice of Meeting published on 19 July 2018 to consider, and if thought fit, pass the Extraordinary Resolutions. By submitting an Electronic Instruction, each Holder will instruct the relevant Clearing System to appoint a representative of the Exchange Agent to act as proxy and vote in favour of the Extraordinary Resolutions and any adjournment thereof convened prior to 31 August 2018 (but not any subsequent adjournment) in respect of the full principal amount of Existing Notes specified in such Electronic Instruction. If passed, the Extraordinary Resolutions will provide for the allocation of contingent value rights to Holders of the Existing Notes *in lieu* of the rights of the Holders to receive the Second Redemption Payment Amount and the Third Redemption Payment Amount, the optional redemption by the Existing Issuer of any Existing Notes which have not been tendered or exchanged on the Settlement Date, the cessation of the accrual of interest on the Existing Notes and certain other matters.
Consent Fee	Subject to the satisfaction or waiver by the Existing Issuer (in so far as they are capable of being waived) of the Conditions Precedent, all Consenting Holders will be entitled to receive a cash payment equal to the Consent Fee which will be paid within 4 months of the Settlement Date.
Purpose of the Tender and Exchange Offer and Extraordinary Resolutions	The board of directors of the Existing Issuer has approved the Tender and Exchange Offer on 18 July 2018. The Existing Issuer is making the Tender and Exchange Offer and proposing the Extraordinary Resolution with the following objectives: (i) to cancel all of the outstanding Existing Notes in consideration for cash or New Notes issued by the New Issuer in accordance with the terms of the Tender and Exchange Offer;

	(ii) to redeem any Existing Notes outstanding after the expiry of the Tender and Exchange Offer for cash calculated in accordance with the Tender Ratio; (iii) to allocate contingent value rights to the Holders of the Existing Notes *in lieu* of the Holders' rights under the Existing Notes to receive the Second Redemption Payment Amount and the Third Redemption Payment Amount; (iv) to improve the Existing Issuer's capital structure; and (v) to cease the accrual of all interest under the Existing Notes and to waive the rights of the Holders to any accrued but unpaid interest.
Offers to Tender or Exchange	A Holder shall receive cash from the Existing Issuer for the Existing Notes validly tendered by it in the Tender and Exchange Offer if, among other things, it satisfies the conditions of the Tender and Exchange Offer. A Holder shall receive New Notes from the New Issuer for its Existing Notes validly offered by it in the Tender and Exchange Offer if, among other things, it satisfies the conditions of the Tender and Exchange Offer. If the Extraordinary Resolutions are passed at the Meeting of Holders of the Existing Notes, and the conditions to the implementation of the Extraordinary Resolutions have been satisfied or waived by the Existing Issuer (in so far as they are capable of being waived), each Holder's Existing Notes, whether or not such Holder has tendered such Existing Notes in the Tender and Exchange Offer, may be redeemed and such Holder will receive a cash payment calculated in accordance with the Tender Ratio.
Offer Expiration Deadline	Holders will be eligible to participate in the Tender and Exchange Offer if, among other things, they validly submit an Electronic Tender or Exchange Instruction through the relevant Clearing System which reaches the Exchange Agent on or prior to the Expiration Time on the Expiration Date. Only Direct Participants can submit Electronic Instructions, Holders who are not Direct Participants must contact the relevant Direct Participants to have their Electronic Instructions submitted on their behalf.
Conversion of Offers to Exchange into Offers to Tender	The New Notes will be issued in denominations of US$200,000 each and integral multiples of US$1 in excess thereof. Fractions of New Notes will not be issued to Holders on exchange. An Electronic Exchange Instruction in respect of holdings of Existing Notes which do not meet the minimum denominations applicable to New Notes based on the Exchange Ratio will be automatically converted to an Electronic Tender Instruction and the holdings subject to such instruction will be accepted instead for tender in accordance with the Tender Ratio.
Settlement	Subject to the satisfaction or waiver by the Existing Issuer (in so far as they are capable of being waived) of the Conditions Precedent, the date of the settlement of the Tender and Exchange Offer is currently expected to be on or about 27 August 2018 (the "Settlement Date").
Amendment of the Terms of the Tender and Exchange Offer by the Existing Issuer	The Existing Issuer may extend, amend or modify the Tender and Exchange Offer, provided that any such extension, amendment or modification is published by the Existing Issuer prior to the Modification Deadline.

Revocation by Holders	All offers to tender or exchange (including, without limitation, the Electronic Exchange Instructions submitted by a Holder) will be revocable by Holders up to the Expiration Time on the Expiration Date.
Submission of an Electronic Instruction	The Tender and Exchange Offer requires each of the Holders who wish to participate in the Tender and Exchange Offer to submit an Electronic Instruction through the relevant Clearing System to be received by the Exchange Agent by no later than 9:00 am London time on 22 August 2018 if they wish to participate in the Tender and Exchange Offer. Holders should refer to Annex C for the information required to be contained in the Electronic Instruction. **Holders who do not validly complete and send their Electronic Instruction will not be able to participate in the Tender and Exchange Offer. However, if the Extraordinary Resolutions are passed at the Meeting of the Holders of the Existing Notes, each Holder's Existing Notes, whether or not such Holder has tendered their Existing Notes in the Tender and Exchange Offer, may be redeemed and such Holder will receive a cash amount calculated in accordance with the Tender Ratio.** **Holders should check with the relevant Direct Participants, Clearing Systems, banks, securities broker, custodian or any other Intermediary through which they hold their Existing Notes whether such entity will apply earlier deadlines for participation to those set out in this Tender and Exchange Offer Memorandum and, if so, should follow those deadlines. Holders who hold Existing Notes through Euroclear or Clearstream, Luxembourg are urged to submit the Electronic Instructions at least 48 hours in advance of the Expiration Time on the Expiration Date to avoid delays that might affect the valid tender or exchange of their Existing Notes.** The receipt of such Electronic Instructions by the relevant Clearing System will be acknowledged by such Clearing System in accordance with their standard practices and will result in the blocking of the relevant Existing Notes. Holders must take the appropriate steps through the relevant Clearing System to ensure that no transfers may be effected in relation to such blocked Existing Notes at any time after such date, in accordance with the requirements of the relevant Clearing System and the deadlines required by such Clearing System. By blocking such Existing Notes in the relevant Clearing System, each Holder or Direct Participant will be deemed to consent to have the relevant Clearing System provide details concerning such Holder's Direct Participant's identity to the Existing Issuer, the New Issuer, the Existing Notes Trustee, the Existing Notes Principal Agent, the Exchange Agent, the Trustee and their respective legal advisors.
Representations and Warranties	By offering to tender or exchange their Existing Notes, Holders will be deemed to make certain representations and warranties as further detailed herein.

EXPECTED TIMETABLE

The times and dates below are indicative only. All of the below dates are subject to earlier deadlines that may be set by the Clearing Systems or any Intermediary. It is expected that provisional allocation of the New Notes pursuant to the Tender and Exchange Offer will take place throughout the Offer Period and after the end of the Offer Period.

Date and Time	Event
19 July 2018	Notice of Meeting of Holders published
3 August 2018	*Notification of the launch of the Tender and Exchange Offer through the clearing systems and on the stock exchanges* Notice of the launch of the Tender and Exchange Offer will be submitted by the Existing Issuer through the Clearing Systems, through the SGX-ST and the NSE.
3 August 2018	*Tender and Exchange Offer Commencement* Commencement of period during which Holders may submit an Electronic Tender or Exchange Instruction through the relevant Clearing System to be received by the Exchange Agent by no later than the Expiration Time on the Expiration Date. **Holders who do not submit an Electronic Instruction through the relevant Clearing System to be received by the Exchange Agent by no later than the Expiration Time on the Expiration Date will not be eligible to participate in the Tender and Exchange Offer. However, if the Extraordinary Resolutions are passed at the Meeting of the Holders of the Existing Notes, each Holder's Existing Notes, whether or not such Holder has tendered their Existing Notes in the Tender and Exchange Offer, may be redeemed and such Holder will receive a cash amount per aggregate principal amount of Existing Notes held calculated in accordance with the Tender Ratio.**
10 August 2018	Meeting of Holders to be convened
9:00 am on 16 August 2018	9:00 am London time on 16 August 2018 being the latest time and date by which the Existing Issuer must publish any amendment, extension or modification of the terms of the Tender and Exchange Offer.
9:00 am on 22 August 2018	*Expiration Time and Expiration Date for Electronic Instructions in respect of the Tender and Exchange Offer* In order for the Existing Notes offered for tender or exchange to be accepted on the Settlement Date, Electronic Instructions need to be received by the Exchange Agent by no later than 9:00 a.m. London time on 22 August 2018.
24 August 2018	Notice of the results of the Meeting of Holders given through the Clearing Systems, and announcement submitted for release via SGX-ST and NSE. Notice of the results of the Tender and Exchange Offer, given through the Clearing Systems, and announcement submitted for release via SGX-ST and NSE.
24 August 2018	*Announcement of the results of the Tender and Exchange Offer*

	through the Clearing Systems, via SGX-ST and NSE. Announcement to be submitted to the Clearing Systems by the Existing Issuer as to: (i) whether the Conditions Precedent have been satisfied or waived by the Existing Issuer (in so far as they are capable of being waived), and if they have either been satisfied or waived; (ii) the aggregate principal amount of the Existing Notes it will purchase pursuant to the Tender and Exchange Offer; and (iii) the total aggregate principal amount of Existing Notes that it will exchange, along with the total aggregate principal amount of New Notes that the New Issuer will issue pursuant to the Tender and Exchange Offer.
27 August 2018	*Settlement Date* Settlement Date of Existing Notes validly tendered and accepted for purchase or exchange, each pursuant to the Tender and Exchange Offer.
27 August 2018	An announcement containing the same information set out in the notice to the Clearing Systems in respect of Settlement will be submitted by the Existing Issuer and the New Issuer to each of the SGX-ST and the NSE.

Holders should consult with the relevant Direct Participants, Clearing Systems, banks, securities broker, custodian or any other Intermediary through which they hold their Existing Notes whether such entity will apply earlier deadlines for participation to those set out in this Tender and Exchange Offer Memorandum and, if so, should follow those deadlines. Holders who hold Existing Notes through Euroclear or Clearstream, Luxembourg are urged to submit the Electronic Instruction at least 48 hours in advance of the Cut-off Deadline to avoid delays that might affect the valid tender or exchange of their Existing Notes.

Copies of all such announcements, press releases and notices can also be obtained from the Exchange Agent, the contact details for which are on the last page of this Tender and Exchange Offer Memorandum.

DEFINITIONS

Capitalized terms used but not defined in this Tender and Exchange Offer Memorandum shall, unless the context otherwise requires, have the meanings set out in the Existing Notes Conditions for the Existing Notes. References to "Terms" herein are to the section "Terms of the Tender and Exchange Offer" of this Tender and Exchange Offer Memorandum.

Business Day	A day (other than a Saturday or Sunday) on which commercial banks are open for business in London, Singapore, New York, and Mumbai.
Clearing Systems	Euroclear and Clearstream, Luxembourg.
Clearstream, Luxembourg	Clearstream Banking, *société anonyme.*
Conditions Precedent	Conditions Precedent shall have the meaning given in Term 5.
Consent Fee	A fixed fee of US$13,000,000, to be shared *pro rata* among all Consenting Holders. Accordingly, the greater the number of Consenting Holders, the lower the Consent Fee will be for each Consenting Holder. The Consent Fee payable to each Consenting Holder will be a cash amount, per US$1,000 principal amount of Existing Notes which a Consenting Holder has validly offered for tender or exchange in the Tender and Exchange Offer and not validly revoked, equal to the product of US$13,000,000 multiplied by a fraction, the numerator of which is the aggregate principal amount of Existing Notes which such Consenting Holder has validly offered for tender or exchange and not validly revoked and the denominator of which is the total aggregate principal amount of outstanding Existing Notes validly offered for tender or exchange as of the Expiration Time on the Expiration Date. The minimum Consent Fee payable per Consenting Holder, if all Holders are Consenting Holders, is US$43.3 for every US$1,000 in principal amount of Existing Notes validly offered for tender and exchange and not validly revoked. The Consent Fee will be paid to Consenting Holders within 4 months of the Settlement date.
Consenting Holder	A Holder who has validly submitted an Electronic Instruction upon the terms set forth in this Tender and Exchange Offer Memorandum which constitutes instructions to appoint a representative of the Exchange Agent to vote as proxy in favour of the Extraordinary Resolutions at the Meeting of Holders and any adjournment thereof convened prior to 31 August 2018 (but not any subsequent adjournment) in respect of the entire principal amount of Existing Notes that are the subject of such Electronic Instruction.
Direct Participant	Each person who is shown in the records of Euroclear or Clearstream, Luxembourg as a holder of an interest in the Existing Notes.
ECB Guidelines	Master Direction on External Commercial Borrowings, Trade Credit, Borrowing and Lending in Foreign Currency by Authorised Dealers and Persons other than Authorised Dealers dated 1 January 2016 issued by the Reserve Bank of India and any other applicable guidelines issued in respect of external commercial borrowings, in accordance with Section 6(3) (d) of the Foreign Exchange Management Act, 1999 (42 of 1999) of India, and regulation 6 of Notification No. FEMA 3 / 2000-RB dated 3 May 2000, as amended, modified or replaced from time to time.
Electronic Instruction	The electronic blocking instruction (which should contain, among other things, the information specified in Annex C).

Euroclear	Euroclear Bank S.A./N.V.
Exchange Agent	Lucid Issuer Services Limited, as information, tabulation and exchange agent.
Exchange Ratio	Exchange Ratio shall have the meaning given to it in Term 3.
Existing Notes	US$300,000,000 6.5% senior secured notes due 6 November 2020 ISIN: XS1216623022, common code: 121662302.
Existing Notes Conditions	The terms and conditions of the Existing Notes.
Existing Notes Principal Agent	Madison Pacific Trust Limited, as principal paying agent under the agency agreement for the Existing Notes.
Existing Notes Trustee	Madison Pacific Trust Limited, as trustee of the Existing Notes.
Existing Issuer	Reliance Communications Limited.
Existing Trust Deed	The trust deed, dated 6 May 2015, between the Existing Issuer and Standard Chartered Bank (as amended and supplemented by the first supplemental trust deed dated 20 March 2018 between the Existing Issuer and the Existing Notes Trustee).
Expiration Date	22 August 2018 or such earlier or later date as notified to the Holders by the Existing Issuer.
Expiration Time	9:00 a.m. London time or such earlier or later time as notified to the Holders by the Existing Issuer.
Extraordinary Resolutions	The Extraordinary Resolutions contained in the Notice of Meeting.
Holders	Holders of the Existing Notes.
Intermediary	Any broker, dealer, commercial bank, trust company or other nominee or custodian who holds Existing Notes or an interest in Existing Notes on behalf of another person.
Meeting of Holders of Existing Notes	The meeting of Holders of the Existing Notes, convened by the Existing Issuer on 10 August 2018, pursuant to the Notice of Meeting.
Modification Deadline	9:00 am London time on 16 August 2018 being the latest time and date by which the Existing Issuer must publish any amendment, extension or modification of the terms of the Tender and Exchange Offer.
New Issuer	Global Cloud Xchange Limited.
NSE	The National Stock Exchange of India Limited.
Offer Period	From the commencement of the Tender and Exchange Offer on 3 August 2018 until the Expiration Time on the Expiration Date.
Offering Circular	The offering circular dated 3 August 2018 of the New Issuer relating to the New Notes set out in Annex A hereto.
Persons Resident in India	Persons Resident in India shall have the meaning ascribed thereto under the (Indian) Foreign Exchange Management Act, 1999.

RBI	The Reserve Bank of India.
Rupees	The lawful currency of the Republic of India.
Securities Act	The United States Securities Act of 1933, as amended.
Second Redemption Payment Amount	An amount that is, at a minimum, the U.S. dollar equivalent of 750 million Rupees and at a maximum, the U.S. dollar equivalent of 3,690 million Rupees.
Settlement Date	The date of settlement of the Tender and Exchange Offer, expected to be on or about 27 August 2018 or such earlier or later date as is notified to the Holders by the Existing Issuer.
SGX-ST	Singapore Exchange Securities Trading Limited.
Tender Ratio	Tender Ratio shall have the meaning given in Term 3.
Tender and Exchange Offer	The invitation by the Existing Issuer to eligible Holders of the Existing Notes to submit offers to tender their Existing Notes for purchase by the Existing Issuer in cash in accordance with the Tender Ratio or to offer to exchange their Existing Notes for New Notes issued by the New Issuer in accordance with the Exchange Ratio, each pursuant to the terms and subject to the conditions set out in this Tender and Exchange Offer Memorandum.
Tender and Exchange Offer Memorandum	This Tender and Exchange Offer Memorandum dated 3 August 2018.
Third Redemption Payment Amount	An amount that is, at a minimum, the U.S. dollar equivalent of 730 million Rupees and at a maximum, the U.S. dollar equivalent of 970 million Rupees.
Trustee	Madison Pacific Trust Limited, as trustee of the New Notes.
U.S. dollars or US$	The lawful currency of the United States of America.
United Kingdom	United Kingdom of Great Britain and Northern Ireland.
United States or U.S.	United States of America.

RISK FACTORS

The following section does not describe all of the risks for Holders participating in the Tender and Exchange Offer. Prior to making a decision as to whether to participate, Holders should consider carefully, in light of their own financial circumstances and investment objectives, all the information set out in this Tender and Exchange Offer Memorandum and, in particular, the following risk factors and the risk factors in the Offering Circular in evaluating whether to participate in the Tender and Exchange Offer. Holders should make such inquiries as they think appropriate regarding the terms of the Tender and Exchange Offer, the New Notes and the New Issuer, all without relying on the Existing Issuer, the New Issuer, the Exchange Agent or any other person.

There are material differences between the Existing Notes and the New Notes.

There are material differences between the Existing Notes Conditions and the terms and conditions of the New Notes. Holders are advised to refer to the "Summary of Key Differences between the Existing Notes and the New Notes" set out in this Tender and Exchange Offer Memorandum for a summary of these key differences. See also the "Description of the Zero Coupon Notes" included in the Offering Circular.

If the Conditions Precedent are met, all of the Existing Notes may be redeemed.

If the Extraordinary Resolutions are passed and the Conditions Precedent are satisfied or waived by the Existing Issuer (in so far as they are capable of being waived), any Existing Notes which have not been offered for tender or exchange pursuant to the Tender and Exchange Offer and/or which were not accepted for tender or exchange under the terms of the Tender and Exchange Offer may be redeemed for cash calculated in accordance with the Tender Ratio.

If the Conditions Precedent have not been satisfied or waived (in so far as they are capable of being waived), the Tender and Exchange Offer cannot be consummated.

The Tender and Exchange Offer is subject to a number of Conditions Precedent. See "Terms of the Tender and Exchange Offer - Conditions Precedent". If the Conditions Precedent are not satisfied or waived by the Existing Issuer (in so far as they are capable of being waived), the Existing Issuer has the right to terminate the Tender and Exchange Offer and offers to tender or exchange Existing Notes will not be accepted. There can be no assurance that the Conditions Precedent will be satisfied or that the Existing Issuer will waive any Conditions Precedent that have not been satisfied but which are capable of being waived.

One of the Conditions Precedent is the receipt of RBI approval in connection with the Tender and Exchange Offer and the implementation of the Extraordinary Resolutions. This Condition Precedent is not capable of being waived. There is no guarantee that the RBI approval will be forthcoming, or if it is, that approval will be received in a timely manner.

The Tender Ratio and the Exchange Ratio may not reflect the market value of the Existing Notes.

To the extent that the Existing Notes are traded, prices of the Existing Notes will fluctuate greatly depending on the trading volume and the balance between buy and sell orders. Holders are urged to contact their brokers to obtain the best available information as to the potential market price of the Existing Notes and for advice concerning the effect of the Tender Ratio or Exchange Ratio.

There is no existing market for the New Notes and an active market for the New Notes may not develop, which may cause the price of the New Notes to fall.

The New Notes comprise a new issue of securities for which there is currently no trading market. The New Issuer will make an application for the listing of the New Notes on the SGX-ST within 3 months of the Settlement Date. The New Issuer cannot assure you that an active trading market for the New Notes will develop, or as to the liquidity or sustainability of any such market, the ability of Holders to sell their New Notes or the price at which Holders will be able to sell their New Notes. If an active market for the New Notes fails to develop or be sustained, the trading price of the New Notes could fall. If an active trading market were to develop, the New Notes could trade at prices that may be lower than the initial offering price (based on the Exchange Ratio) of the New Notes.

There is no guarantee that the New Issuer will obtain or be able to maintain a listing of the New Notes on the SGX-ST.

Whether or not the New Notes will trade at lower prices depends on many factors, including:

- the market for similar securities;
- general economic conditions; and
- the New Issuer's business, financial condition and results of operations.

The Tender and Exchange Offer may not be completed.

The Existing Issuer cannot assure you that the Tender and Exchange Offer will be completed. Completion of the Tender and Exchange Offer is conditional upon the satisfaction or waiver by the Existing Issuer (in so far as they are capable of being waived) of the Conditions Precedent to the Tender and Exchange Offer set out herein. Until such time, the Existing Issuer cannot assure you that any Existing Notes will be accepted for tender or exchange.

Holders are responsible for complying with all of the procedures of the Tender and Exchange Offer.

Holders are responsible for complying with all of the procedures for tendering or exchanging the Existing Notes pursuant to the terms of this Tender and Exchange Offer Memorandum, including complying with all relevant deadlines. Holders are advised to check with the bank, securities broker, Clearing Systems or other Intermediary through which they hold their Existing Notes whether such entity applies earlier deadlines for any of the events specified in this Tender and Exchange Offer Memorandum, and then to allow for such deadlines if such deadlines are prior to the deadlines set out in this Tender and Exchange Offer Memorandum. None of the Existing Issuer, the New Issuer, the Exchange Agent, the Existing Notes Trustee, the Existing Notes Principal Agent or the Trustee assumes any responsibility for informing Holders of irregularities with respect to offers to tender or exchange from the Holders.

Certain restrictions apply to the transfer of Existing Notes from the time of submission of an Electronic Instruction.

When considering whether to participate in the Tender and Exchange Offer, Holders should take into account that restrictions on the transfer of the Existing Notes by Holders will apply from the time of submission of the Electronic Instruction. A Holder will, while submitting an Electronic Instruction, agree that its Existing Notes will be blocked in the relevant account in the relevant Clearing System from the relevant time of submission until the earlier of: (i) the time of settlement on the Settlement Date; (ii) the withdrawal or deemed withdrawal by a Holder of its offer to tender or exchange including termination of the Tender or Exchange Offer; and (iii) the Business Day following the Meeting of Holders of Existing Notes, in the event that the Extraordinary Resolutions are not passed.

Holders may be subject to certain tax consequences in relation to the exchange of Existing Notes for New Notes.

Holders are liable for their own taxes and have no recourse to the Existing Issuer, the New Issuer, the Exchange Agent, the Existing Notes Trustee or the Trustee with respect to taxes arising in connection with the Tender and Exchange Offer. Holders are urged to consult their own professional advisers regarding these possible tax consequences under the laws of the jurisdictions that apply to them or to the exchange of their Existing Notes and the receipt pursuant to the Tender and Exchange Offer of New Notes.

Holders need to comply with the Offer Restrictions.

Holders are referred to deemed representations and warranties set forth in Term 12 under the heading "Terms of the Tender and Exchange Offer" in this Tender and Exchange Offer Memorandum. Non-compliance with the offer restrictions by a Holder could result in, among other things, an inability to validly offer to tender or exchange Existing Notes, the unwinding of trades and/or heavy penalties.

The Tender and Exchange Offer has not been independently evaluated.

Neither the Existing Issuer nor the New Issuer has obtained third-party determination that the Tender and Exchange Offer is fair to Holders of the Existing Notes. Neither the Existing Issuer nor the New Issuer has retained or intends to retain any unaffiliated representative to act solely on behalf of the Holders of the Existing Notes for the purposes of preparing a report concerning the fairness of the Tender and Exchange Offer and the Extraordinary Resolutions. The future value of the New Notes received may be less than the value of the Existing Notes exchanged.

The board of directors of the Existing Issuer has not made a determination that any cash consideration to be received in accordance with the Tender and Exchange Offer represents a fair valuation of the Existing Notes nor have the board of directors of the Existing Issuer obtained a fairness opinion from any financial advisor about the fairness to the Existing Issuer or to Holders of the consideration to be received by Holders.

Certain creditors of the Existing Issuer may attempt to challenge the progress or consummation of the Tender and Exchange Offer and Extraordinary Resolutions, which may result in the delay or termination of the Tender and Exchange Offer and Extraordinary Resolutions.

The Existing Issuer may be subject to litigation initiated by Holders of the Existing Notes or other creditors to enjoin or otherwise prevent the settlement of the Tender and Exchange Offer and the Extraordinary Resolutions. These creditors could argue that the Tender and Exchange Offer and the Extraordinary Resolutions or the transactions related thereto, violate their specific credit instruments. They could seek to take judicial actions that may enjoin, impede, delay or result in the termination of the Tender and Exchange Offer and the Extraordinary Resolutions or require the Existing Issuer to pay damages in the event of an adverse judicial decision. While the Existing Issuer intends to oppose any such litigation or other efforts, it cannot assure you of a successful outcome.

In addition, the Existing Issuer also has the right to terminate or withdraw the Tender and Exchange Offer and the Extraordinary Resolutions at any time and for any reason, including, without limitation, if any of the conditions described under "Terms of the Tender and Exchange Offer - Conditions Precedent" are not satisfied.

A Holder's Existing Notes will be blocked for a period of time if a Holder chooses to participate in the Tender and Exchange Offer and Extraordinary Resolutions.

Holders that are Direct Participants must provide their Electronic Instruction by transmitting them or procuring their transmission to the Clearing Systems, causing the Existing Notes that are held by them to be blocked in the relevant Clearing System. Any voting instructions given by a Holder relating to the Extraordinary Resolutions and the Tender and Exchange Offer will be effected at the meeting by the Exchange Agent acting as proxy for the Holders, provided such voting instructions are not revoked by such Holders prior to the Expiration Time on the Expiration Date.

A Holder will, on tendering or exchanging its Existing Notes in the Tender and Exchange Offer, agree it holds and will hold, until the conclusion of the Meeting of Holders or any adjourned meeting in relation to the Extraordinary Resolutions, as the case may be, the Existing Notes, blocked in the relevant Clearing System and, in accordance with the requirements of the relevant Clearing System and by the deadline required by the relevant Clearing System, and that it has submitted, or has caused to be submitted, an electronic voting instruction to the relevant Clearing System, as the case may be, to authorise the blocking of the Existing Notes with effect on and from the date thereof so that no transfers of the Existing Notes may be effected.

The Exchange Ratio does not accord equal value to an Existing Note vis-à-vis a New Note. Accordingly, an Electronic Exchange Instruction may be automatically converted into an Electronic Tender Instruction.

Holders whose Existing Notes are validly offered for exchange pursuant to the Tender and Exchange Offer will receive the right to have issued to them or their nominee New Notes based on the Exchange Ratio. Existing Notes will be issued in a denomination of U.S.$200,000 and integral multiples of U.S.$1 in excess thereof. Fractions of New Notes will not be issued to Holders on exchange.

An Electronic Exchange Instruction in respect of holdings of Existing Notes which do not meet the minimum denominations applicable to New Notes based on the Exchange Ratio will be automatically converted to an

Electronic Tender Instruction and the holdings subject to such instruction will be accepted instead for tender in accordance with the Tender Ratio.

Holders are responsible for conducting their own investigations and getting independent legal, financial and tax advice.

Holders are responsible for independently investigating the position of the Existing Issuer and the New Issuer. None of the Existing Issuer, the New Issuer, the Existing Notes Trustee, the Trustee or the Exchange Agent assumes any responsibility for informing Holders of the financial or other position or prospects of the Existing Issuer or the New Issuer, or of their subsidiaries, associates and joint ventures in connection with the Extraordinary Resolutions and the Tender and Exchange Offer.

Holders should consult their own tax, accounting, financial and legal advisers regarding the suitability to themselves of the tax or accounting consequences of participating in the Extraordinary Resolutions or the Tender and Exchange Offer. None of the Existing Issuer, the New Issuer, the Existing Notes Trustee, the Trustee or the Exchange Agent has made or will make any assessment of the merits of the Extraordinary Resolutions or the Tender and Exchange Offer or of the impact of the Extraordinary Resolutions or the Tender and Exchange Offer on the interests of Holders either as a class or as individuals. Holders are liable for their own taxes and have no recourse to the Existing Issuer, the New Issuer, the Existing Notes Trustee, the Trustee or the Exchange Agent with respect to taxes arising in connection with the Extraordinary Resolutions or the Tender and Exchange Offer.

TAXATION

In view of the number of different jurisdictions where tax laws may apply to a Holder, this Tender and Exchange Offer Memorandum does not discuss the tax consequences for Holders arising in connection with the Tender and Exchange Offer or in relation to the New Notes. Holders are urged to consult their own professional advisers regarding these possible tax consequences under the laws of the jurisdictions that apply to them or to the tender or exchange of their Existing Notes and the receipt pursuant to the Tender and Exchange Offer of New Notes. Holders are liable for their own taxes and have no recourse to the Existing Issuer, the New Issuer, the Exchange Agent, the Existing Notes Trustee, the Existing Notes Principal Agent or the Trustee with respect to taxes arising in connection with the Tender and Exchange Offer.

TERMS OF THE TENDER AND EXCHANGE OFFER

Capitalized terms used but not defined herein have the meanings assigned to such terms in "Definitions" above. References to numbered terms are to the terms set out in this section.

1. Purposes of the Tender and Exchange Offer

The Existing Issuer is making the Tender and Exchange Offer with the following objectives:

(a) to cancel all of the outstanding Existing Notes in consideration for cash or New Notes issued by the New Issuer in accordance with the terms of the Tender and Exchange Offer;

(b) to redeem for cash, calculated in accordance with the Tender Ratio, any Existing Notes outstanding after the expiry of the Tender and Exchange Offer;

(c) to allocate contingent value rights to the Holders of the Existing Notes *in lieu* of the Holders' rights under the Existing Notes to receive the Second Redemption Payment Amount and the Third Redemption Payment Amount;

(d) to improve the Existing Issuer's capital structure; and

(e) to cease the accrual of all interest under the Existing Notes and to waive the rights of the Holders to any accrued but unpaid interest.

2. Tender and Exchange Offer — General

(a) The Existing Issuer invites all Holders that comply with the restrictions set out under "Offer Restrictions" in this Tender and Exchange Offer Memorandum to offer to tender or exchange any and all of their outstanding Existing Notes to be purchased by the Existing Issuer in cash or to be exchanged for New Notes to be issued by the New Issuer upon the terms and subject to the terms and conditions of the Tender and Exchange Offer (the "Terms"), as further described below.

(b) Holders will be eligible to tender their Existing Notes for purchase by the Existing Issuer in cash, calculated in accordance with the Tender Ratio if they validly submit an Electronic Tender Instruction through the relevant Clearing System which reaches the Exchange Agent on or prior to the Expiration Time on the Expiration Date.

(c) Holders will be eligible to receive New Notes, calculated in accordance with the Exchange Ratio for the Existing Notes held by them and offered in the Tender and Exchange Offer if they validly submit an Electronic Instruction through the relevant Clearing System which reaches the Exchange Agent on or prior to the Expiration Time on the Expiration Date.

(d) By participating in the Tender and Exchange Offer, each Holder agrees that the tender or exchange of any of its outstanding Existing Notes for a cash amount or for New Notes, as applicable, and the receipt of the cash amount or such principal amount of the New Notes by such Holder in respect of any Existing Notes tendered or exchanged constitutes the payment of full consideration by the Existing Issuer for such a tender or exchange. Each Holder further agrees that the receipt by such Holder of the relevant cash amount or principal amount of the New Notes in respect of any Existing Notes tendered or exchanged shall constitute full and final discharge of the Existing Issuer's obligations to such Holders under the Existing Notes Conditions with respect to payment of principal, interest, default interest and premium on such Existing Notes and no other amounts shall be payable to such Holder in respect of such Existing Notes to the extent provided herein.

(e) None of the Existing Issuer, the New Issuer, the Existing Notes Trustee, the Existing Notes Principal Agent or the Exchange Agent (or their respective directors, employees or affiliates)

makes any recommendation as to whether or not Holders should offer to tender or exchange their Existing Notes.

(f) If the Extraordinary Resolutions are passed at the Meeting of the Holders of the Existing Notes and implemented in accordance with the terms therein, each Holder's Existing Notes, whether or not such Holder has offered such Existing Notes to be tendered or exchanged in the Tender and Exchange Offer, shall be redeemed and such Holder will receive a cash amount per aggregate principal amount of Existing Notes held calculated in accordance with the Tender Ratio.

3. Tender Ratio and Exchange Ratio

The fee payable in cash to each Holder who offers Existing Notes for tender will be calculated as a percentage of the principal amount of Existing Notes validly offered for tender by such Holder. The precise dollar amount has not yet been determined but will be a minimum of 3.5% of the principal amount of Existing Notes validly offered by each Holder for tender (the "Tender Ratio").

The minimum price payable in cash to a Holder for Existing Notes validly offered for tender will therefore be US$35 for every US$1,000 in principal amount of Existing Notes tendered and the Existing Issuer will notify the Holders on or around the date of the First Partial Redemption of the price at which Existing Notes validly offered for tender and not validly revoked will be purchased.

The aggregate principal amount of New Notes that will be issued is US$45,000,000 to be allocated *pro rata* among all Holders who validly offer to exchange Existing Notes for New Notes in accordance with the Tender and Exchange Offer.

The number of New Notes that will be allocated to each Holder who validly offers Existing Notes to be exchanged for New Notes in accordance with the Tender and Exchange Offer will therefore be a principal amount, equal to the product of US$45,000,000 multiplied by a fraction, the numerator of which is the aggregate principal amount of Existing Notes which such Holder has validly offered for exchange and not validly revoked and the denominator of which is the total aggregate principal amount of Existing Notes which all other Holders have validly offered for exchange and not validly revoked (the "Exchange Ratio").

New Notes will be issued in minimum denominations of US$200,000 and increments of US$1 in excess thereof. Fractions of New Notes will not be issued to Holders on exchange.

An Electronic Exchange Instruction in respect of holdings of Existing Notes which do not meet the minimum denominations applicable to New Notes based on the Exchange Ratio will be automatically converted to an Electronic Tender Instruction and the holdings subject to such instruction will be accepted instead for tender in accordance with the Tender Ratio.

4. Conversion of Offers to Exchange into Offers to Tender

As the New Notes will be issued in denominations of US$200,000 each and integral multiples of US$1 in excess thereof, a Holder must only submit an Electronic Instruction in respect of an offer to exchange Existing Notes that would result in such Holder receiving an aggregate principal amount of New Notes in exchange for its Existing Notes that is equal to at least US$200,000.

Fractions of New Notes will not be issued to Holders on exchange.

An Electronic Exchange Instruction in respect of holdings of Existing Notes which do not meet the minimum denominations applicable to New Notes based on the Exchange Ratio will be automatically converted to an Electronic Tender Instruction and the holdings subject to such instruction will be accepted instead for tender in accordance with the Tender Ratio.

5. Conditions Precedent

The consummation of the Tender and Exchange Offer on the Settlement Date shall be subject to each of the following conditions (the "Conditions Precedent"), each of which may only be waived by the Existing Issuer (save for (a) below, which is not capable of being waived):

(a) receipt of the required approvals (in final form) from the RBI and any other applicable regulatory authority;

(b) approval by the requisite majority of Holders of, and implementation by the Existing Issuer of, the Extraordinary Resolutions;

(c) a minimum of 15% of the aggregate principal amount outstanding of Existing Notes having been validly tendered or exchanged and not validly withdrawn or revoked;

(d) entry into an asset monetisation and distribution agreement and an accounts agreement, each with respect to the sale proceeds of the Jio Sale;

(e) payment of the First Redemption Payment Amount to the Holders;

(f) the issuance and allocation of contingent value rights to the Holders *in lieu* of the Holders' rights under the Existing Notes to receive the Second Redemption Payment Amount and the Third Redemption Payment Amount;

(g) receipt of all Lenders' (as defined in the US$500,000,000 Facility Agreement between Reliance Globalcom BV and Standard Chartered Bank dated 22 June 2010) written consent to the Tender and Exchange Offer;

(h) payment of all fees and expenses of (i) the Existing Notes Trustee and their legal counsel, and (ii) Lucid Issuer Services Limited, each in accordance with the engagement terms entered into between the Existing Issuer and such parties; and

(i) the resolution and restructuring of the debt of the Existing Issuer and its subsidiaries, and the implementation of such resolution and restructuring, both in accordance with the RBI circular dated 12 February 2018 and the monetization and resolution plan dated 2 June 2018 circulated by the Existing Issuer to its secured lenders.

On the Settlement Date, if the Conditions Precedent above are satisfied or waived by the Existing Issuer (in so far as they are capable of being waived), the Existing Issuer will accept all Existing Notes validly tendered or exchanged and not previously validly withdrawn or revoked by eligible Holders; provided that the Existing Issuer reserves the right in its sole and absolute discretion to withdraw or terminate the Tender and Exchange Offer, even where the Conditions Precedent have all been satisfied, for any reason.

6. The RBI Approval

The Existing Issuer has applied to the RBI for their approval in connection with the Tender and Exchange Offer and the implementation of the Extraordinary Resolutions. There is no guarantee that this approval will be forthcoming or if it is, that it will be received in a timely manner.

7. Settlement

The date of the settlement of the New Notes to eligible Holders will be the Settlement Date. The date of the settlement of the redemption of Existing Notes for cash will be the Settlement Date. The scheduled date of settlement is on or about 27 August 2018, or such earlier or later date as is notified to the Holders by the Existing Issuer.

8. Announcements

By 5:00 p.m. London time on 24 August 2018, the Existing Issuer intends to announce through the Clearing Systems (with copies to be provided to the Existing Notes Trustee and the Trustee in advance):

(a) whether the Conditions Precedent have been satisfied or waived by the Existing Issuer (in so far as they are capable of being waived), and if they have either been satisfied or waived:

i. the aggregate principal amount of the Existing Notes it will purchase in cash pursuant to the Tender and Exchange Offer; and

ii. the aggregate principal amount of the Excising Notes that it will exchange pursuant to the Tender and Exchange Offer along with the aggregate principal amount of New Notes that the New Issuer will issue pursuant to the Tender and Exchange Offer.

An announcement containing the same information set out in the notice to the Clearing Systems will be submitted by the Existing Issuer to each of the SGX-ST and the NSE for publication on their respective websites.

Holders are hereby informed that significant delays may be experienced in publishing notices through the Clearing Systems. Holders are urged to contact the Exchange Agent at the telephone number specified on the last page of this Tender and Exchange Offer Memorandum for the relevant announcements during the Offer Period. All announcements will be made available upon release at the offices of the Exchange Agent.

9. Procedures for offering Existing Notes

(a) The Existing Issuer will only accept offers to tender or exchange in the Tender and Exchange Offer by way of the submission of valid Electronic Instructions in accordance with the procedures set out in these Terms.

(b) The Tender and Exchange Offer requires each of the Holders who wish to participate in the Tender and Exchange Offer to complete an Electronic Instruction through the relevant Clearing System to be received by the Exchange Agent by no later than 9:00 a.m. London time on 22 August 2018. Electronic Instructions must be duly submitted and received by the Exchange Agent by such time in order for Holders to participate in the Tender and Exchange Offer. Holders who do not validly complete and send their Electronic Instructions will not be able to participate in the Tender and Exchange Offer.

(c) Only Direct Participants can submit Electronic Instructions. Holders should check with the relevant Direct Participant, bank, Clearing Systems, securities broker, custodian or any other Intermediary through which they hold their Existing Notes whether such entity will apply earlier deadlines for participation to those set out in this Tender and Exchange Offer Memorandum and, if so, should follow those deadlines. Holders who hold Existing Notes through Euroclear or Clearstream, Luxembourg are urged to submit the Electronic Instructions at least 48 hours in advance of the Expiration Time on the Expiration Date to avoid delays that might affect the valid tender or exchange of their Existing Notes.

(d) The receipt of such Electronic Instructions by the relevant Clearing System will be acknowledged in accordance with the standard practices of such Clearing System and will result in the blocking of Existing Notes in the relevant Clearing System so that no transfers may be effected in relation to such Existing Notes until the earlier of: (i) the time of settlement on the Settlement Date; (ii) the withdrawal or deemed withdrawal by a Holder of its offer to tender or exchange including termination of the Tender or Exchange Offer; and (iii) the Business Day following the Meeting of the Holders of Existing Notes in the event that the Extraordinary Resolutions are not passed.

(e) All references to the blocking of Existing Notes in the relevant Clearing System under these Terms are a reference to the blocking of Existing Notes in the Clearing Systems Account of the Direct Participant such that no transfers can be effected subsequently.

(f) Holders and Direct Participants must take the appropriate steps through the relevant Clearing System to ensure that no transfers may be effected in relation to such blocked Existing Notes at any time after such date, in accordance with the requirements of the relevant Clearing

System and the deadlines required by such Clearing System. By blocking its Existing Notes in the relevant Clearing System, each Holder and Direct Participant will be deemed to consent to the relevant Clearing System providing details concerning the identity of such Holder's Direct Participant to the Existing Issuer, the New Issuer, the Existing Notes Trustee, the Existing Notes Principal Agent, the Exchange Agent, the Trustee and their respective legal advisors.

(g) Only Direct Participants may submit Electronic Instructions. If a Holder is not a Direct Participant, it must arrange for the Direct Participant through which it holds Existing Notes to submit an Electronic Instruction on its behalf to the relevant Clearing System prior to the deadline specified by the relevant Clearing System.

(h) Holders of Existing Notes that are held in the name of an Intermediary should contact such entity sufficiently in advance of the Expiration Time on the Expiration Date if they wish to accept the Tender and Exchange Offer and procure that Electronic Instructions are given and the Existing Notes are blocked in accordance with the normal procedures of the relevant Clearing System and the deadlines imposed by such Clearing System.

(i) Notwithstanding anything contained in the Terms, following the termination of the Tender and Exchange Offer, a Holder will be deemed to have automatically withdrawn its offer to tender or exchange and the blocking instructions in respect of the Existing Notes underlying such offer to tender or exchange will be automatically released.

(j) By submitting a valid Electronic Instruction to the relevant Clearing System in accordance with the standard procedures of the relevant Clearing System, Holders and Direct Participants shall be deemed to make the acknowledgements, representations, warranties and undertakings set out below to the Existing Issuer, the New Issuer and the Exchange Agent and to the Existing Notes Trustee, the Existing Notes Principal Agent and Trustee, where applicable, at each of the following times and/or dates, as applicable: (i) the Expiration Time; and (ii) the Settlement Date (if the relevant Holder or Direct Participant is unable to give such representations, warranties and undertakings, such Holder or the relevant Direct Participant on its behalf should contact the Exchange Agent immediately).

10. Meeting of Holders and Extraordinary Resolution

A Meeting of Holders has been convened by the Existing Issuer in order for the Holders of Existing Notes to consider, and if thought fit, pass the Extraordinary Resolutions. By submitting an Electronic Instruction, each Holder of Existing Notes will instruct the relevant Clearing System to appoint a representative of the Exchange Agent to vote in favour of the Extraordinary Resolutions at the Meeting of Holders and any adjournment thereof convened prior to 31 August 2018 (but not any subsequent adjournment) in respect of the entire principal amount of Existing Notes specified in such Electronic Instruction.

Holders of Existing Notes submitting an Electronic Instruction will not be required to attend in person or to take any other action in respect of the Meeting of Holders in order to vote because a representative of the Exchange Agent will vote on their behalf.

11. Consent Fee

Subject to the satisfaction or waiver by the Existing Issuer (in so far as they are capable of being waived) of the Conditions Precedent, each Consenting Holder shall be entitled to receive a cash payment equal to the Consent Fee which will be paid within 4 months of the Settlement Date.

The Consent Fee is a fixed fee of US$13,000,000, to be shared *pro rata* among all Consenting Holders. Accordingly, the greater the number of Consenting Holders, the lower the Consent Fee will for each Consenting Holder.

The Consent Fee payable to each Consenting Holder will be a cash amount, per US$1,000 principal amount of Existing Notes which a Consenting Holder has validly offered for tender or exchange in the Tender and Exchange Offer and not validly revoked, equal to the product of US$13,000,000 multiplied by a fraction, the numerator of which is the aggregate principal amount of Existing Notes which such

Consenting Holder has validly offered for tender or exchange and not validly revoked and the denominator of which is the total aggregate principal amount of outstanding Existing Notes validly offered for tender or exchange as of the Expiration Time on the Expiration Date.

The minimum Consent Fee payable per Consenting Holder, if all Holders are Consenting Holders, is US$43.3 for every US$1,000 in principal amount of Existing Notes validly offered for tender and exchange and not validly revoked.

12. Acknowledgements, Representations, Warranties and Undertakings

By submitting a valid Electronic Instruction to the relevant Clearing System, each Holder and the relevant Direct Participant represents, warrants and undertakes that:

(a) it has received, reviewed and accepts the terms of this Tender and Exchange Offer Memorandum;

(b) it is assuming all the risks inherent in participating in the Tender and Exchange Offer and has undertaken all the appropriate analysis of the implications of the Tender and Exchange Offer without reliance on the Exchange Agent, the Existing Notes Trustee, the Existing Notes Principal Agent or the Trustee;

(c) by blocking Existing Notes in the relevant Clearing System, it will be deemed to consent to the relevant Clearing System providing details concerning the identity of its Direct Participant to the Existing Issuer, the New Issuer, the Existing Notes Trustee, the Existing Notes Principal Agent, the Exchange Agent, the Trustee and their respective legal advisers;

(d) upon the terms and subject to the conditions of the Tender and Exchange Offer, it thereby offers to tender or exchange the principal amount of Existing Notes in its account blocked in the relevant Clearing System for purchase by the Existing Issuer in cash calculated in accordance with the Tender Ratio or for exchange for the relevant principal amount of New Notes calculated in accordance with the Exchange Ratio;

(e) if the Existing Notes are accepted by the Existing Issuer for tender or exchange, it acknowledges that the receipt of the cash payment representing such principal amount of Existing Notes tendered by such Holder, or the receipt of the principal amount of New Notes in respect of any Existing Notes surrendered for exchange constitutes the payment of full consideration by the Existing Issuer for the Existing Notes. Each Holder further agrees that the receipt by such Holder of the cash amount or the relevant principal amount of the Existing Notes in respect of any Existing Notes, as applicable, shall constitute full and final discharge of the Existing Issuer's obligations to such Holder under the Existing Notes Conditions with respect to payment of principal, accrued interest and default interest on such Existing Notes and no other amounts shall be payable to such Holder in respect of such Existing Notes to the extent provided herein;

(f) to the extent permitted by applicable law, agrees to do all such acts and things as shall be necessary and execute any additional documents deemed by the Existing Issuer to be desirable, in each case, to complete the cancellation of such Existing Notes or their transfer to the Existing Issuer or its nominee to be purchased for cash or in exchange for the New Notes;

(g) it has not taken or omitted to take any action in breach of the terms of the Tender and Exchange Offer;

(h) all authority conferred or agreed to be conferred pursuant to its representations, warranties and undertakings and all of its obligations shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity;

(i) no information has been provided to it by the Trustee, the Existing Notes Trustee or the Exchange Agent with regard to the tax consequences to Holders or Direct Participants in

connection with the Tender and Exchange Offer or in relation to the New Notes. It hereby acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Tender and Exchange Offer and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Existing Issuer, the New Issuer, the Exchange Agent, the Trustee, the Existing Notes Trustee or any other person in respect of such taxes and payments;

(j) it is not a person to whom it is unlawful to make an invitation under the Tender and Exchange Offer under applicable laws;

(k) it: (a) has not received or been sent copies of the Tender and Exchange Offer Memorandum or any related documents directly or indirectly, or into, or from the United States or by use of the mail of, or by any means or instrumentality (including, without limitation, facsimile transmission, electronic mail, telex, telephone, and the internet) of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States; (b) is not located or resident in the United States and is not a U.S. person; (c) is participating in the Tender and Exchange Offer in an offshore transaction in accordance with Regulation S under the Securities Act; and (d) is not an agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions with respect to the Tender and Exchange Offer from within the United States or for a U.S. person;

(l) it is outside the United Kingdom or, if it is located within the United Kingdom, it is either: (a) a person falling within the definition of investment professional (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order")); or (b) a high net worth entity as defined in the Order or another person to whom the offer may lawfully be communicated falling within Article 49(2)(a) to (e) of the Order; or (c) a person falling within Article 43 of the Order;

(m) it is not a resident or located in the Republic of Italy nor is it acting on behalf of persons resident in and/or located in the Republic of Italy, or, if it is resident or located in the Republic of Italy or is acting on behalf of persons resident in and/or located in the Republic of Italy, it is either (i) a Holder of the Existing Notes who is a qualified investor (investitori qualificati), pursuant to Article 100 of Legislative Decree no. 58 dated February 24, 1998, as amended (the "Financial Services Act"), as defined in Article 34- ter of Regulation no. 11971 dated May 14, 1999 of Commissione Nazionale delle Società e della Borsa (the Italian Securities Exchange Commission, the "CONSOB"), as amended from time to time ("Regulation no. 11971"); or (ii) receiving this Tender and Exchange Offer Memorandum pursuant to another exemption from the requirement of Article 94 et seq. of the Financial Services Act and Regulation no. 11971, as amended;

(n) it is outside the Republic of France or, if it is resident or located in the Republic of France, it is either: (i) a qualified investor ("investisseur qualifiés") who is not an individual; or (ii) a provider of investor services relating to portfolio management (all as defined in and in accordance with article L.411-1, L.411-2 and D.411-1 and D.411-3 of the French Code Monétaire et Financier);

(o) it is outside the Kingdom of Belgium or, if it is located in the Kingdom of Belgium, it is a qualified investor referred to in Article 6, paragraph 3 of the Law of April 1, 2007 on public acquisition offers, acting on its own account;

(p) it is outside Singapore, or if it is resident or located in Singapore, it is a holder of Existing Notes and it has received this Tender and Exchange Offer Memorandum pursuant to, and in accordance with the conditions of an exemption under any provision of subdivision (4) of Division 1 of Part XIII of the Securities and Futures Act, Chapter 289 of Singapore;

(q) it is outside Hong Kong or, if it is located in Hong Kong, it is: (i) a professional investor as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) will only receive this Tender and Exchange Offer Memorandum

in circumstances which do not result in this Tender and Exchange Offer Memorandum being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance;

(r) it is outside India and is not a Person Resident in India (as defined in the Foreign Exchange Management Act, 1999, as amended);

(s) it has full power and authority to submit for tender or exchange, and transfer the Existing Notes hereby submitted for tender or exchange and if such Existing Notes are accepted for tender or exchange by the Existing Issuer, such Existing Notes will be cancelled or transferred to, or to the order of, the Existing Issuer with full title free from all liens, charges and encumbrances, not subject to any adverse claim and together with all rights attached thereto. To the extent permitted by applicable law, will, upon request, execute and deliver any additional documents and/or do such other things deemed by the Existing Issuer to be necessary or desirable to complete the transfer and cancellation of the relevant Existing Notes or to evidence such power and authority;

(t) subject to these Terms, it holds and will hold, until the time of settlement on the Settlement Date, the Existing Notes blocked in the relevant Clearing System and, in accordance with the requirements of the relevant Clearing System and by the deadline required by the relevant Clearing System, it has submitted, or has caused to be submitted, an Electronic Instruction to the relevant Clearing System, as the case may be, to authorize the blocking of the submitted Existing Notes with effect on and from the date thereof so that, at any time pending the transfer of such Existing Notes on the Settlement Date to the Existing Issuer or on its behalf and the cancellation thereof, no transfers of such Existing Notes may be effected until the earlier of: (i) the time of settlement on the Settlement Date; (ii) the withdrawal or deemed withdrawal by a Holder of its offer to tender or exchange in certain limited circumstances, namely following the completion or termination of the Tender and Exchange Offer; and (iii) the Business Day following the Meeting of the Holders of Existing Notes in the event that the Extraordinary Resolutions are not passed;

(u) it will not rely on any information relating to the Existing Issuer or the New Issuer other than information in the Tender and Exchange Offer Memorandum, the Offering Circular and information which is otherwise publicly available;

(v) it understands and acknowledges that none of the Exchange Agent, the Trustee, the Existing Notes Principal Agent, the Existing Notes Trustee or any of their respective directors, employees or affiliates, or any person acting on behalf of any of the Exchange Agent, the Trustee, the Existing Notes Trustee, the Existing Notes Principal Agent or any of their respective directors, employees or affiliates, accepts any responsibility for any information which has been made available to it, whether at the date of the Exchange Offer Memorandum or otherwise, and none of the Exchange Agent, the Trustee, the Existing Notes Trustee, the Existing Notes Principal Agent or any of their respective directors, employees or affiliates, or any person acting on behalf of the Exchange Agent, the Trustee, the Existing Notes Trustee, the Existing Notes Principal Agent or any of their respective directors, employees or affiliates makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of such information, whether at the date of publication, the date of the Tender and Exchange Offer Memorandum or otherwise;

(w) it understands and acknowledges that an investment in the New Notes includes a high degree of risk. In making its decision to participate in the Tender and Exchange Offer: (i) it has such business and financial experience as is required to give it the capacity to protect its own interests in connection with the holding of the New Notes; (ii) it is making its own investigation of, and will not rely on any investigation that the Exchange Agent, the Trustee, the Existing Notes Trustee, the Existing Notes Principal Agent or any of their respective directors, employees or affiliates, or any person acting on behalf of the Exchange Agent, the Trustee, the Existing Notes Trustee, the Existing Notes Principal Agent or any of their respective directors, employees or affiliates, may have conducted with respect to, the Existing Issuer, the New Issuer or the New Notes; (iii) it will make its own investment decision

regarding the New Notes based on its own knowledge and investigation of the New Issuer and the New Notes; (iv) it will consult its own independent advisors or otherwise satisfy itself concerning, without limitation, accounting, regulatory, tax or other consequences in the light of its particular situation under the laws of all relevant jurisdictions generally; and (v) it acknowledges that none of the Exchange Agent, the Trustee, the Existing Notes Trustee, the Existing Notes Principal Agent or any of their respective directors, employees or affiliates, or any person acting on behalf of the Exchange Agent, the Trustee, the Existing Notes Trustee, the Existing Notes Principal Agent or any of their respective directors, employees or affiliates has made or will make any representations to it, express or implied, with respect to the New Issuer or the New Notes;

(x) it agrees not to reoffer, resell, pledge or otherwise transfer the New Notes delivered to it pursuant to the Tender and Exchange Offer except outside the United States pursuant to Rule 903 or 904 of Regulation S under the Securities Act;

(y) it understands that no action has been or will be taken by any of the Existing Issuer or the New Issuer's directors, employees or affiliates, that would, or is intended to, permit a public offer of the New Notes in any country or jurisdiction where any such action for that purpose is required and that New Notes may not be, directly or indirectly, offered or sold and that no prospectus, form of application, advertisement or other document or information may be distributed or published in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations and all re-offers and sales of New Notes by it will be made on the same terms;

(z) it confirms that it has the power and authority to participate in the Tender and Exchange Offer;

(aa) it represents and warrants that the holding of the New Notes delivered to it pursuant to the Tender and Exchange Offer will be in full compliance with applicable laws and regulations in the jurisdiction of its residence or otherwise;

(bb) the terms and conditions of the Tender and Exchange Offer shall be deemed to be incorporated in, and form a part of, and the Electronic Instruction which shall be read and construed accordingly and that the information given by or on behalf of such Holder in the Electronic Instruction is true and accurate and will be true and accurate in all respects at the time of the exchange;

(cc) it acknowledges that the submission of an Electronic Instruction will constitute the appointment of the Existing Notes Principal Agent as its attorney (with full knowledge that the Existing Notes Principal Agent also acts as agent of the Existing Issuer) with respect to such Existing Notes offered pursuant to the Tender and Exchange Offer, with power: (i) to arrange the cancellation of such Existing Notes or the transfer of such Existing Notes to, or to the order of, the Existing Issuer; (ii) to present evidence of such cancellation or transfer and all evidences of authority and any other required document to, or to the order of, the Existing Issuer; and (iii) to receive all benefits and otherwise exercise all rights of beneficial ownership attaching to such Existing Notes, all in accordance with the terms of the Exchange Offer and the Existing Notes Conditions; and

(dd) it acknowledges that the submission of an Electronic Instruction will constitute instructions to appoint a representative of the Exchange Agent to vote as proxy in favour of the applicable Extraordinary Resolutions at the Meeting of Holders and any adjournment thereof convened prior to 31 August 2018 (but not any subsequent adjournment) in respect of the full principal amount of Existing Notes the subject of such Electronic Instruction.

The receipt of an Electronic Instruction by the relevant Clearing System will constitute instructions to debit the securities in such Holder's or Direct Participant's account on the Settlement Date in respect of all of the Existing Notes that such Holder or Direct Participant has offered for tender or exchange and which have been accepted by the Existing Issuer, upon receipt by the relevant Clearing System of an instruction from the Existing Notes Principal Agent to receive those Existing Notes and against credit

of cash, or the New Notes, as applicable, subject to the automatic withdrawal of those instructions in the event that the Tender and Exchange Offer is terminated.

13. Responsibility for Delivery of Electronic Instructions

(a) None of the Existing Issuer, the New Issuer, the Exchange Agent, the Trustee, the Existing Notes Principal Agent or the Existing Notes Trustee, will be responsible for the communication of offers to tender or exchange and corresponding Electronic Instructions by:

i. Holders to the Direct Participant through which they hold Existing Notes; or

ii. the Direct Participant to the relevant Clearing Systems.

(b) If a Holder holds its Existing Notes through a Direct Participant, such Holder should contact that Direct Participant to discuss the manner in which exchange acceptances, transmission of Electronic Instructions and, as the case may be, transfer instructions may be made on its behalf.

(c) In the event that the Direct Participant through which a Holder holds its Existing Notes is unable to submit an Electronic Instruction on its behalf, such Holder should telephone the Exchange Agent for assistance. Contact details of the Exchange Agent appear on the back page of this Tender and Exchange Offer Memorandum.

(d) Holders and Direct Participants are solely responsible for arranging the timely delivery of their Electronic Instructions.

14. Revocation Rights and Amendment, Extension or Modification

All offers for tender or exchange by Holders (including, without limitation, the Electronic Instruction submitted by a Holder) may be revoked prior to the Expiration Time on the Expiration Date. The Existing Issuer may extend, amend or modify the Tender and Exchange Offer, provided that any such extension, amendment or modification is published by the Existing Issuer prior to the Modification Deadline.

15. Irregularities

All questions as to the validity, form and eligibility (including the time of receipt) of any Electronic Instruction, offer to tender or exchange Existing Notes thereof or delivery of Existing Notes will be determined by the Existing Issuer which determination will be final and binding on the Holders in the absence of manifest error. The Existing Issuer reserves the absolute right to reject any and all Electronic Instructions not in proper form or in respect of which, in the opinion of the Existing Issuer's legal advisers, the acceptance by the Existing Issuer may be unlawful. The Existing Issuer also reserves the absolute right to waive any of the conditions of the Tender and Exchange Offer other than the satisfaction of any conditions precedent or defects, irregularities or delay in the submission of any and all Electronic Instructions. Further, the Existing Issuer reserves the absolute right to waive any such defect, irregularity or delay in respect of particular Existing Notes, whether or not the Existing Issuer elects to waive similar defects, irregularities or any delay in respect of other Existing Notes.

Any defect, irregularity or delay must be cured within such time as the Existing Issuer determines, unless waived. Electronic Instructions will be deemed not to have been made until such defects, irregularities or delays have been cured or waived. None of the Existing Issuer, the New Issuer or the Exchange Agent shall be under any duty to give notice to a Holder of any defects, irregularities or delays in any Electronic Instructions nor shall any of them incur any liability for failure to give such notice.

16. Certain Important Limitations in respect of the Tender and Exchange Offer

(a) The failure of any person to receive a copy of this Tender and Exchange Offer Memorandum or any announcement made or notice issued by the Existing Issuer in connection with the Tender and Exchange Offer shall not invalidate any aspect of the Tender and Exchange Offer.

Neither the Existing Issuer, the New Issuer or the Exchange Agent is obliged to give any acknowledgement of receipt of any Electronic Instruction and/or other documents.

(b) All calculations in relation to the Tender and Exchange Offer shall be performed by the Existing Issuer unless expressly stated otherwise and shall be final and binding on Holders in the absence of manifest error. None of the Existing Issuer, the New Issuer, the Exchange Agent, the Existing Notes Trustee or the Trustee shall be liable in any respect for the accuracy of any mathematical calculation or formula in relation to the Tender and Exchange Offer. Neither the Existing Notes Trustee nor the Trustee accepts responsibility or liability for monitoring, tabulating, or verifying compliance with any deadlines or expiry dates applicable to the Tender and Exchange Offer or for verifying compliance with any other formalities in connection with the delivery or revocation of Electronic Instructions.

(c) Neither the Tender Ratio nor the Exchange Ratio has any relationship to the actual value of the New Notes. Each Holder should independently analyze the value of the New Notes and make an independent assessment of the terms of the Tender and Exchange Offer. None of the new Issuer, the Existing Issuer, the Exchange Agent, the Trustee, the Existing Notes Principal Agent or the Existing Notes Trustee has expressed any opinion as to whether the terms of the Tender and Exchange Offer are fair. None of the Existing Issuer, the New Issuer, the Exchange Agent, the Trustee, the Existing Notes Principal Agent or the Existing Notes Trustee makes any recommendation that any Holder submits an Electronic Instruction or tenders Existing Notes or refrains from doing so pursuant to the Tender and Exchange Offer, and no-one has been authorised by the Existing Issuer, the New Issuer, the Exchange Agent, the Trustee, the Existing Notes Principal Agent or the Existing Notes Trustee to make any such recommendation.

(d) Neither the Trustee nor the Existing Notes Trustee has been involved in the formulation of the Tender and Exchange Offer, and in accordance with normal practice, express no opinion on the merits of the Tender and Exchange Offer. Holders of Existing Notes should take their own advice on the consequences of participating in the Tender and Exchange Offer, including any tax consequences.

17. Governing Law

The terms of the Tender and Exchange Offer, including without limitation each Electronic Instruction and any non-contractual obligations arising out of or in connection with the Tender and Exchange Offer shall be governed by, and construed in accordance with, English law. By submitting an Electronic Instruction a Holder or Direct Participant irrevocably and unconditionally agrees for the benefit of the Existing Issuer, the New Issuer and the Exchange Agent that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Exchange Offer or any of the documents referred to above and that, accordingly, any suit, action or proceedings arising out of or in connection with the foregoing may be brought in such courts.

18. Miscellaneous

Holders who need assistance with respect to the procedure relating to making an offer to tender or exchange should contact the Exchange Agent, the contact details for whom appear on the back cover of this Tender and Exchange Offer Memorandum.

KEY DIFFERENCES BETWEEN
THE EXISTING NOTES AND THE NEW NOTES

The following table sets out some of the material differences between the terms and conditions of the Existing Notes and the terms and conditions of the New Notes. The following table does not include all of the information included in the conditions contained in the Existing Trust Deed or to be contained in the indenture for the New Notes and does not contain all of the information required to make an investment decision regarding the Tender and Exchange Offer. In particular, the covenants, events of default and other financial terms, if any, are not set out below. This information is qualified by reference to the provisions of the conditions contained in the Existing Trust Deed and to be contained in the indenture for the New Notes. Terms used and not defined in respect of the Existing Notes shall have the meanings given in the Existing Trust Deed. Terms used and not defined in respect of the New Notes shall have the meanings given in the form of the terms and conditions of the New Notes included in the Offering Circular in Annex A hereto. The proposed terms of the New Notes assume a Settlement Date of 27 August 2018.

Condition	The Existing Notes	The New Notes
Company	Reliance Communications Limited, a limited liability company incorporated under the laws of the Republic of India.	Global Cloud Xchange Limited, a limited liability company incorporated under the laws of Bermuda.
Issue	U.S.$300,000,000 6.5% senior secured notes due 2020 (the "**Existing Notes**").	U.S.$45,000,000 zero coupon notes due 2023 (the "**New Notes**").
Principal Denominations	U.S.$200,000	U.S.$200,000
Issue Date	6 May 2015	27 August 2018
Maturity Date	6 November 2020	27 August 2023
Redemption at Maturity	Unless previously redeemed, or purchased and cancelled, the Existing Issuer will redeem the Existing Notes at their principal amount on 6 November 2020.	Unless previously redeemed, or purchased and cancelled, the New Issuer will redeem the New Notes at their principal amount on 27 August 2023.
Purchase at the option of the Company upon a Change of Control	The Existing Issuer must make an offer to purchase to all Holders of the Existing Notes, not later than 30 days following the occurrence of a Change of Control (as defined in the Existing Notes Trust Deed), at a purchase price equal to 101.0 per cent. of the principal amount thereof plus accrued and unpaid interest, if any, to (but not including) the Offer to Purchase Payment Date Control (as defined in the Existing Notes Trust Deed). Notwithstanding this obligation, the Existing Issuer will not be required to make an Offer to Purchase following a Change of Control if a third party makes the Offer to Purchase in the same manner, at the same times and otherwise in compliance with the requirements set forth in the Trust	If a Change of Control Triggering Event (as defined in the indenture for the New Notes) occurs, each holder of a New Note will have the right to require the New Issuer to repurchase all or any part (equal to US$200,000 or an integral multiple of US$1 in excess thereof) of that holder's New Notes pursuant to a Change of Control Offer on the terms set forth in the indenture. In the Change of Control Offer, the New Issuer will offer a Change of Control Payment in cash equal to 100.00 per cent. of the aggregate principal amount of New Notes repurchased plus accrued New Notes repurchased to the date of purchase, subject to the rights of Holders of New Notes on the relevant record date to receive interest due on the relevant interest

Condition	The Existing Notes	The New Notes
	Deed and purchases all of the Existing Notes validly tendered and not withdrawn under such Offer to Purchase.	payment date. Within 30 days following any Change of Control Triggering Event, the New Issuer will mail a notice to each Holder and the Trustee describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase New Notes on the Change of Control Payment Date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, pursuant to the procedures required by the indenture and described in such notice.
Optional Redemption	The Existing Issuer may redeem up to 35.0 per cent. of the aggregate principal amount of the Existing Notes at any time and from time to time with the net cash proceeds of one or more sales of common stock of the Existing Issuer in an Equity Offering (as defined in the Existing Notes Trust Deed) at a redemption price of 106.5 per cent. of the principal amount of the Existing Notes redeemed, plus accrued and unpaid interest, if any, to, but not including, the applicable redemption date; provided that at least 65.0 per cent. of the aggregate principal amount of the Existing Notes originally issued on the Issue Date (excluding the Existing Notes held by the Existing Issuer and its Subsidiaries) remain outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related Equity Offering. In addition, the Existing Issuer may on any one or more occasions redeem all or a part of the Existing Notes, upon not less than 30 nor more than 60 days' prior notice, at a redemption price equal to 100.0 per cent. of the principal amount of the Existing Notes to be redeemed plus the Applicable Premium as of, and accrued and unpaid interest if any, to the redemption date.	The New Issuer may redeem all or a part of the New Notes at any time upon not less than 10 or more than 60 days' notice, at a redemption price equal to 100.00 per cent. of the principal amount to be redeemed plus accrued and unpaid interest on the New Notes redeemed to the applicable redemption date.
Form and Denomination of Notes	The Existing Notes were issued in registered form in the denomination of U.S.$200,000	The New Notes will be issued in registered form in the denomination of U.S.$200,000

Condition	The Existing Notes	The New Notes
	each and integral multiples of U.S $1,000 in excess thereof. The Existing Notes will upon issue be represented by the Global Certificate which on the Closing Date will be deposited with, and registered in the name of, a nominee of a Common Depositary.	each and integral multiples of U.S.$1 in excess thereof. The New Notes will upon issue be represented by the Global Certificate which on the Settlement Date will be deposited with, and registered in the name of, a nominee of a Common Depositary.
Trustee	Madison Pacific Trust Limited	Madison Pacific Trust Limited
Principal Agent	Madison Pacific Trust Limited	The Bank of New York Mellon, London Branch

EXCHANGE AGENT

The Existing Issuer has appointed Lucid Issuer Services Limited to act as Exchange Agent. The Existing Issuer has entered into an engagement letter with the Exchange Agent, which contains certain provisions regarding the duties of the Exchange Agent in relation to the Tender and Exchange Offer, payment of fees and indemnity arrangements.

The contact details of the Exchange Agent are:

Lucid Issuer Services Limited
Tankerton Works
12 Argyle Walk
London WC1H 8HA
Telephone: +44 20 7704 0880
Attention: Yves Theis and Arlind Bytyqi
Email: reliance@lucid-is.com

None of the Exchange Agent, the Existing Notes Principal Agent, the Existing Notes Trustee, the Trustee or any of their respective directors, employees or affiliates assumes any responsibility for the accuracy or completeness of the information concerning the Tender and Exchange Offer, the Existing Issuer, the New Issuer or its affiliates contained in this Tender and Exchange Offer Memorandum or for any failure by the Existing Issuer or the New Issuer to disclose events that may have occurred and may affect the significance or accuracy of such information.

None of the Exchange Agent, the Trustee, the Existing Notes Principal Agent, the Existing Notes Trustee or any of their respective directors, employees or affiliates makes any representation or recommendation whatsoever regarding the Tender and Exchange Offer, or any recommendation as to whether Holders should submit offers to tender or exchange in the Tender and Exchange Offer.

ANNEX A - OFFERING CIRCULAR

STRICTLY CONFIDENTIAL—DO NOT FORWARD

NOT FOR DISTRIBUTION INTO THE UNITED STATES, AUSTRALIA, SOUTH AFRICA, CANADA, JAPAN OR TO ANY PERSON RESIDENT OR LOCATED IN THE REPUBLIC OF INDIA.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the Offering Circular dated August 3, 2018 following this page (the "*Offering Circular*") and you are therefore advised to read this disclaimer page carefully before accessing, reading or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them prior to the Modification Deadline (as defined below), each time you receive any information from Lucid Issuer Services Limited as the exchange agent (the "*Exchange Agent*").

a) you are a holder of the US$300,000,000 6.5% senior secured notes due 2020, ISIN: XS1216623022 (the "**Existing Notes**"), issued by Reliance Communications Limited (the "**Existing Issuer**" or "**RCOM**");

b) you are a person to whom it is lawful to send the Offering Circular or make an invitation to participate in the Tender and Exchange Offer (as defined in the Offering Circular) under applicable laws;

c) you: (a) have not received or been sent copies of the Offering Circular or any related documents directly or indirectly, in, into, or from the United States of America or by use of the mail of, or by any means or instrumentality (including, without limitation, facsimile transmission, electronic mail, telex, telephone, and the internet) of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States; (b) are not located or resident in the United States and are not a U.S. person; (c) you are participating in the Tender and Exchange Offer in an offshore transaction in accordance with Regulation S under the Securities Act; and (d) are not an agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions with respect to the Tender and Exchange Offer from within the United States or for a U.S. person;

d) if you are a resident or located in the Republic of Italy or are acting on behalf of persons resident in and/or located in the Republic of Italy, you are either: (a) a holder of the Existing Notes who is a qualified investor (*investitori qualificati*), pursuant to Article 100 of Legislative Decree no. 58 dated February 24, 1998, as amended (the "Financial Services Act"), as defined in Article 34-ter of Regulation no. 11971 dated May 14, 1999 of Commissione Nazionale delle Società e della Borsa (the Italian Securities Exchange Commission, the "CONSOB"), as amended from time to time ("Regulation no. 11971"); or (b) are receiving this Offering Circular pursuant to another exemption from the requirement of Article 94 et seq. of the Financial Services Act and Regulation no. 11971, as amended;

e) you are not a Person Resident in India (as defined in the Foreign Exchange Management Act, 1999, as amended);

f) if you are resident or located in Australia, you are a professional investor as defined in section 9 of the Corporations Act 2001 (Cth) or a wholesale client as defined in section 761G of the Corporations Act 2001 (Cth);

g) if you are resident or located in France, you are either: (a) a qualified investor (*investisseurs qualifiés*) who is not an individual; or (b) a provider of investment services relating to portfolio management for the account of third parties (all as defined in Article L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code monétaire et financier);

h) if you are resident or located in Belgium, you are a "qualified investor" referred to in Article 6, paragraph 3 of the Law of 1 April 2007 on public acquisition offers, acting on your own account;

i) if you are resident or located in Hong Kong, you are: (a) a professional investor as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; and (b) will only receive the Offering Circular in circumstances which do not result in the Offering Circular being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance;

j) if you are resident or located in Malaysia, you are a person who can receive the Offering Circular within the conditions specified in Schedules 6 and 7 of the Capital Markets and Services Act 2007;

k) if you are resident or located in the Philippines, you are a person whose receipt of the Offering Circular constitutes an exempt transaction under the Securities Regulation Code (Republic Act No. 8799);

l) if you are resident or located in Singapore, you are a holder of Existing Notes and you acknowledge that the Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore and is only made available to holders of Existing Notes. Accordingly, you undertake not to circulate or distribute the Offering Circular or any offering document or material in relation to the Zero Coupon Notes to any persons in Singapore and not to offer or sell or make the subject of an invitation for subscription or purchase, whether directly or indirectly, the Zero Coupon Notes to any persons in Singapore other than pursuant to, and in accordance with the conditions of, an exemption under any provision of Subdivision (4) of Division 1 of Part XIII of the Securities and Futures Act, Chapter 289 of Singapore;

m) if you are resident or located in Spain, you are a qualified investor ("Inversores Cualificados") as defined in article 39 of the Spanish Royal Decree 1310/2005 of November 4, 2005 or you have received the Offering Circular pursuant to and in compliance with Law 24/1988, as amended, Royal Decree 1310/2005 and any regulation issued thereunder;

n) you have not acquired the Offering Circular in Switzerland other than lawfully on a private placement basis;

o) if you are resident or located in the United Kingdom, you are either: (a) a person falling within the definition of investment professional (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order")); or (b) a high net worth entity as defined in the Order or another person to whom the offer may lawfully be communicated falling within Article 49(2)(a) to (e) of the Order; or (c) a person falling within Article 43 of the Order; and

p) you consent to delivery of the Offering Circular by electronic transmission to you.

The Offering Circular has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Existing Issuer, the Issuer, the Exchange Agent, the Existing Notes Paying Agent, the Transfer Agent, the Registrar or the Trustee or any person who controls, or any director, officer, employee, agent or affiliate of, any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic form and the hard copy version available to you on request from the Existing Issuer or the Exchange Agent.

This Offering Circular shall be read in conjunction with the Tender and Exchange Offer Memorandum dated August 3, 2018 ("*Tender and Exchange Offer Memorandum*"), to which this Offering Circular is attached. To the extent that there is any conflict between this Offering Circular and the Tender and Exchange Offer Memorandum, the terms of the Tender and Exchange Offer Memorandum shall prevail.

Restrictions: The attached document is being furnished in connection with an offering exempt from registration under the Securities Act in accordance with Regulation S under the Securities Act solely for the purpose of enabling holders of the Existing Notes to consider the exchange of the securities described herein.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR LOCAL SECURITIES LAWS.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by, or on behalf of, the Issuer to subscribe for or purchase any of the securities described therein and access has been limited so that it shall not constitute a "general advertisement" or "solicitation" (as those terms are used in Regulation D under the Securities Act) or "directed selling efforts" (within the meaning of Regulation S under the Securities Act) in the United States or elsewhere.

By participating in the Tender and Exchange Offer you acknowledge that the appointment of the Trustee, Paying Agent, Transfer Agent and Registrar is subject to internal approvals by the entities named as such in this Offering Circular. Therefore, the eventual Trustee, Paying Agent, Transfer Agent and Registrar may be different that the entities shown in this Offering Circular.

You are reminded that you have accessed the attached Offering Circular on the basis that you are a person into whose possession this Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver this document, electronically or otherwise, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

Actions That You May Not Take: You should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

YOU ARE NOT AUTHORIZED AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED OFFERING CIRCULAR, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH OFFERING CIRCULAR IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED OFFERING CIRCULAR, IN WHOLE OR IN PART, IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

You are responsible for protecting against viruses and other items of a destructive nature.

OFFERING CIRCULAR **CONFIDENTIAL**



Global Cloud Xchange Limited

(*Incorporated in Bermuda with limited liability*)

US$45,000,000 Zero Coupon Notes due 2023

This is an offering of US$45,000,000 Zero Coupon Notes due 2023 (the "*Zero Coupon Notes*") by Global Cloud Xchange Limited (the "*Issuer*" or the "*Company*"). The Zero Coupon Notes not will bear any interest. The Zero Coupon Notes will mature on August 27, 2023. We may redeem all or a portion of the Zero Coupon Notes at any time a redemption price equal to 100.00% of the principal amount to be redeemed. Upon the occurrence of a Change of Control Triggering Event (as defined in the "*Description of the Zero Coupon Notes*"), we must make an offer to purchase all the Zero Coupon Notes outstanding at a purchase price equal to 100.00% of their principal amount. See "Description of the Zero Coupon Notes—Optional Redemption."

The Zero Coupon Notes will be senior obligations of the Issuer, will rank *pari passu* in right of payment with all existing and future senior indebtedness of the Issuer, senior in right of payment to all existing and future subordinated indebtedness of the Issuer, subordinated to all of the Issuer's existing and future secured liabilities and will be structurally subordinated in right of payment to all existing and future liabilities of our subsidiaries.

The Zero Coupon Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "*Securities Act*"), or other securities laws and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Accordingly, the Zero Coupon Notes are being offered to: (a) a qualified investor (as defined in the Prospectus Directive) who is not a U.S. Person (as such term is defined under Regulation S of the U.S. Securities Act of 1933) outside of the U.S. or (b) a person to whom this Offering Circular can otherwise be lawfully made and that may lawfully participate in the Tender and Exchange Offer. In its absolute discretion at any time prior to the Expiration Time on the Expiration Date, the Issuer may extend the definition of Eligible Holder to also include any person (U.S. Person or otherwise) that: (i) is in a category of investors that has been approved to participate by the Issuer in its absolute discretion; and (ii) is a person to whom the Offering Circular can otherwise be lawfully made and that may lawfully participate in the Tender and Exchange Offer. For a description of these and certain further restrictions on offers, sales and transfers of the Zero Coupon Notes, see "Transfer Restrictions."

Investing in the Zero Coupon Notes involves risks. See "Risk Factors" beginning on page 13.

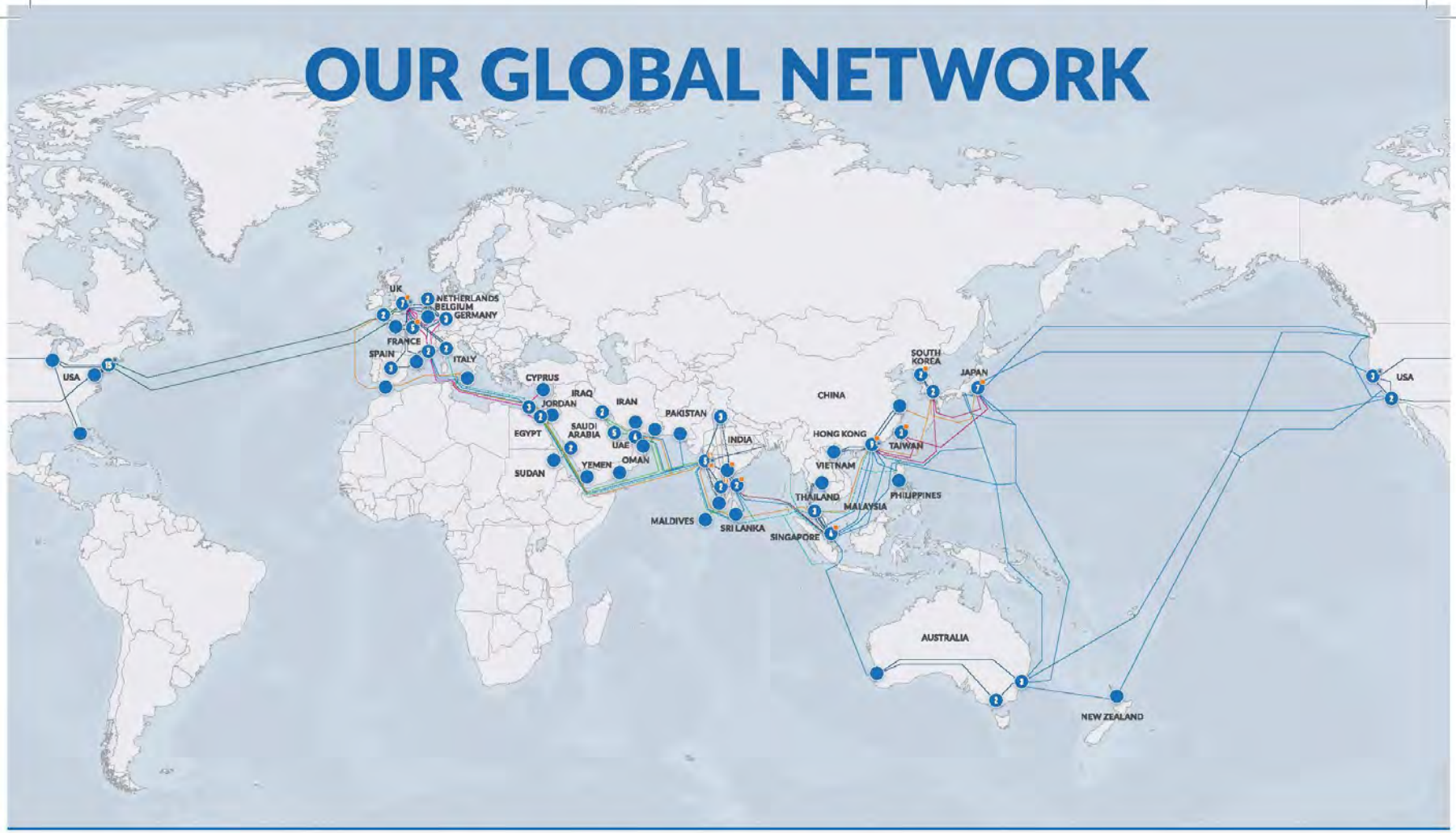
The Issuer hereby invites all Eligible Holders of the Existing Notes to offer to tender any and all of their Existing Notes for purchase in cash by RCOM, or to offer to exchange their Existing Notes for Zero Coupon Notes issued by the Issuer, on the terms and subject to the conditions set out in the Tender and Exchange Offer Memorandum and in this Offering Circular (the "*Tender and Exchange Offer*"). The Tender and Exchange Offer expires at 9:00 am London time on August 22, 2018, unless extended or earlier terminated (such time, as the same may be extended or brought forward, the "Expiration Time" and such date, as the same may be extended or brought forward, the "Expiration Date").

Fractions of Zero Coupon Notes will not be issued to holders of Existing Notes who elect to receive Zero Coupon Notes in exchange for the Existing Notes.

Any individual or company whose Existing Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if they wish to participate in the Tender and Exchange Offer. Lucid Issuer Services Limited, as the Exchange Agent (and its respective agents, directors, employees or affiliates) does not make any recommendation as to whether or not holders of Existing Notes should offer the Existing Notes for exchange or tender.

Offering Circular dated August 3, 2018

OUR GLOBAL NETWORK



POP
DATA CENTER
CLOUD NODES
GNOC

FA-1
FNAL
EAGLE (PLANNED)
FALCON
HAWK
FEA
ICX
* Owned capacity on TIC

CAPACITY ON 3RD PARTY CABLES
TERRESTRIAL COVERAGE

- Boundary representations are not necessarily authoritative
- Coverage area is dynamic and subject to change
- The map is not to scale

GLOBAL CLOUD XCHANGE
a RELIANCE company

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This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Company to subscribe for or purchase any of the Zero Coupon Notes. The distribution of this Offering Circular and the offering of the Zero Coupon Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Company to inform themselves about and observe any such restrictions. This Offering Circular does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. For a description of certain further restrictions on offers and sales of the Zero Coupon Notes and distribution of this Offering Circular, see "Transfer Restrictions."

You should rely only on the information contained in this Offering Circular. No person is authorized to give any information or to make any representation not contained in this Offering Circular and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of the Company. Neither the delivery of this Offering Circular nor any sale made hereunder at any time shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this Offering Circular or that the information contained in this Offering Circular is correct as of any time subsequent to its date.

The Issuer, having made all reasonable enquiries, confirms that, to the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), this Offering Circular contains all information that is material in the context of the issuance and offering of the Zero Coupon Notes, that the information contained in this Offering Circular is true and accurate in all material respects and is not misleading in any material respect and that there are no other facts the omission of which would make this Offering Circular or any such information misleading in any material respect. The information contained in this Offering Circular is as of the date hereof. The Issuer accordingly accepts responsibility for the information contained in this Offering Circular.

Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Trustee, the Paying Agent, the Transfer Agent, the Registrar or the Exchange Agent (as defined herein) as to the accuracy or completeness of the information contained in this Offering Circular or any other information supplied in connection with the Zero Coupon Notes. Each person receiving this Offering Circular acknowledges that such person has not relied on the Trustee, the Paying Agent, the Transfer Agent, the Registrar or the Exchange Agent in connection with its investigation of the accuracy of such information or its investment decision and each person must rely on its own examination of the Company and the merits and risks involved in investing. To the fullest extent permitted by law, the Trustee disclaims and does not accept any responsibility for the contents of this Offering Circular or for any other statement, made or purported to be made by Trustee, the Paying Agent, the Transfer Agent, the Registrar or the Exchange Agent or on behalf of any of them in connection with the Company or the issue and offering of the Zero Coupon Notes. The Trustee accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or any such statement.

In making an investment decision, you must rely on your own examination of us and the terms of the offering, including the merits and risks involved. We are not making any representation to you regarding the legality of an investment in the Zero Coupon Notes by you under any legal, investment or similar laws or regulations. You should not consider any information in this Offering Circular to be legal, business or tax advice. You should consult your own attorney, business adviser and tax adviser for legal, business and tax advice regarding an investment in the Zero Coupon Notes.

This Offering Circular is not intended to provide the basis of any credit or other evaluations and should not be considered as a recommendation by the Company or the Trustee, the Paying Agent, the Transfer Agent, the Registrar or the Exchange Agent that any recipient of this Offering Circular should exchange its Existing Notes for the Zero Coupon Notes or to tender its Existing Notes. Each investor contemplating a purchase of the Zero Coupon Notes should make its own independent investigation of the Company's financial condition and

affairs and its own appraisal of the Company's creditworthiness. By purchasing the Zero Coupon Notes, you will be deemed to have acknowledged that you have made certain acknowledgements, representations and agreements as set forth under the section headed "Transfer Restrictions" below.

This Offering Circular is highly confidential. We are providing it solely for the purpose of enabling you to consider a purchase of the Zero Coupon Notes. Investors may not reproduce or distribute this Offering Circular, in whole or in part, and investors may not disclose any of the contents of this Offering Circular or use any information herein for any purpose other than considering an investment in the Zero Coupon Notes. Investors agree to the foregoing by accepting delivery of this Offering Circular.

SECTION 309B(1)(C) NOTIFICATION

The Bonds are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

NOTICE TO HOLDERS IN THE UNITED STATES

The Tender and Exchange Offer is not being made, and will not be made, directly or indirectly, in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone and the internet. Accordingly, copies of this Offering Circular and any other documents or materials relating to the Tender and Exchange Offer are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded in or into the United States and the Tender and Exchange Offer cannot be accepted by any such use, means, instruments or facilities or from within the United States. Any purported offer to render or exchange Existing Notes resulting directly or indirectly from a violation of these restrictions will be invalid, and any purported offer to tender or exchange made by a resident of the United States or from the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

This Offering Circular is not an offer of securities for sale in the United States. The Existing Notes and the Zero Coupon Notes have not been, and will not be, registered under the Securities Act or the securities laws of any state or jurisdiction of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States. The purpose of this Offering Circular is limited to the Tender and Exchange Offer and this Offering Circular may not be sent or given other than in an offshore transaction in accordance with Regulation S under the Securities Act. Each holder participating in the Tender and Exchange Offer will represent that (i) it is offering the Existing Notes in an offshore transaction in accordance with Regulation S under the Securities Act, (ii) it is not located or resident in the United States, and (iii) it is not a U.S. person and that it is not an agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions with respect to the Tender and Exchange Offer from within the United States or for a U.S. person;

NOTICE TO HOLDERS IN INDIA

The Tender and Exchange Offer is not being made in India. This Offering Circular does not constitute an offer to the public to buy or the solicitation of an offer to sell the Existing Notes or the Zero Coupon Notes in India. Persons Resident in India (as defined in the Foreign Exchange Management Act, 1999, as amended) are not permitted by applicable law to hold the Existing Notes or the Zero Coupon Notes. Accordingly, holders are notified that, to the extent holders are Persons Resident in India, the Tender and Exchange Offer is not available to them and they may not participate in the Tender and Exchange Offer and, as such, any electronic exchange confirmation received from such persons shall be ineffective and void, and neither this Offering Circular nor any other offering material relating to the Tender and Exchange Offer or the Zero Coupon Notes may be distributed

or made available in India. The Zero Coupon Notes may not be offered or sold directly or indirectly in India or to, or for the account or benefit of, any Person Resident in India. The Tender and Exchange Offer has not and will not be registered as a prospectus with the Registrar of Companies, the Securities and Exchange Board of India or any other statutory or regulatory body of like nature in India.

NOTICE TO HOLDERS IN HONG KONG

The Zero Coupon Notes have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than: (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong.

No advertisement, invitation or document relating to the Tender and Exchange Offer or the Zero Coupon Notes (including this Offering Circular) has been issued or will be issued, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Zero Coupon Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

NOTICE TO HOLDERS IN SINGAPORE

This Offering Circular has not been, and will not be, registered as a prospectus with the Monetary Authority of Singapore (the "MAS"), and the Zero Coupon Notes will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Zero Coupon Notes may not be circulated or distributed, nor may the Zero Coupon Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any persons in Singapore other than (i) to an institutional investor pursuant to Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Zero Coupon Notes are subscribed or purchased in reliance on an exemption under Section 274 or 275 of the SFA, the Zero Coupon Notes shall not be sold within the period of 6 months from the date of the initial acquisition of the Zero Coupon Notes, except to any of the following persons:

(i) an institutional investor (as defined in Section 4A of the SFA);
(ii) a relevant person (as defined in Section 275(2) of the SFA); or
(iii) any person pursuant to an offer referred to in Section 275(1A) of the SFA,

unless expressly specified otherwise in Section 276(7) of the SFA or Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore (the "SFR").

Where the Zero Coupon Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable within six (6) months after that corporation or that trust has acquired the Zero Coupon Notes pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person (as defined in Section 275(2) of the SFA), or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) pursuant to Section 276(7) of the SFA; or

(5) pursuant to Regulation 32 of the SFR.

NOTICE TO HOLDERS IN ITALY

The Zero Coupon Notes have not been registered in Italy pursuant to Prospectus Directive (Directive 2003/71/EC) (the "*Prospectus Directive*") and Italian securities legislation and, accordingly, no Existing Notes may be offered for exchange into Zero Coupon Notes, nor may copies of this Offering Circular or of any other document relating to the Zero Coupon Notes be distributed in Italy, except:

(i) to the current holders of the Existing Notes who are qualified investors (investitori qualificati), pursuant to Article 100 of Legislative Decree no. 58 dated February 24, 1998, as amended (the "Financial Services Act"), as defined in Article 34-ter of Regulation no. 11971 dated May 14, 1999 of Commissione Nazionale delle Società e della Borsa (the Italian Securities Exchange Commission, the "CONSOB"), as amended from time to time ("Regulation no. 11971"); or

(ii) pursuant to another exemption from the requirement of Article 94 et seq. of the Financial Services Act and Regulation no. 11971, as amended.

Any offer to exchange or deliver the Existing Notes or any distribution of copies of this Offering Circular or any other document relating to the Zero Coupon Notes or this Offering Circular, in Italy, must be effected in accordance with all Italian securities, tax, exchange control and other applicable laws and regulations, and, in particular, will be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of October 29, 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended (the "Banking Act") and any other applicable laws and regulations;

(ii) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in Italy; and

(iii) in compliance with any other applicable laws and regulations or notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

This Offering Circular and the information contained herein are intended only for the use of its recipient and are not to be distributed to any third-party resident or located in Italy for any reason. No person resident or located in Italy, other than the original recipients of this document, may rely on it or its contents.

Article 100-bis of the Financial Services Act affects the transferability of the Zero Coupon Notes in Italy to the extent that any placing of the Zero Coupon Notes is made solely with qualified investors and such Zero Coupon Notes are then systematically resold to non-qualified investors on the secondary market at any

time in the 12 months following such placing. Where this occurs, if a prospectus compliant with the Prospectus Directive has not been published, purchasers of Zero Coupon Notes who are acting outside of the course of their business or profession may in certain circumstances be entitled to declare such purchase void and to claim damages from any authorized person at whose premises the Zero Coupon Notes were purchased, unless an exemption provided for under the Financial Services Act applies.

NOTICE TO HOLDERS IN SPAIN

The Tender and Exchange Offer is not being made, directly or indirectly, to any resident of Spain other than qualified investors ("Inversores Cualificados"), as defined in Article 39 of the Spanish Royal Decree 1310/2005, of November 4, 2005. This Offering Circular has not been registered with the Comisión Nacional del Mercado de Valores. Accordingly, this Offering Circular and any other offering material relating to the Tender and Exchange Offer, the Existing Notes or the Zero Coupon Notes may only be distributed or made available in Spain to qualified investors pursuant to and in compliance with Law 24/1988, as amended, Royal Decree 1310/2005, and any regulation issued thereunder.

NOTICE TO HOLDERS IN UNITED KINGDOM

The communication of this Offering Circular is not being made by and this Offering Circular has not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. This Offering Circular is only for circulation to persons within the United Kingdom falling within the definition of Investment Professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order")) or within Article 43 of the Order, or other persons to whom it may lawfully be communicated in accordance with the Order.

NOTICE TO HOLDERS IN BELGIUM

The Tender and Exchange Offer is not being made, directly or indirectly, to the public in Belgium. Neither the Tender and Exchange Offer nor this Offering Circular has been notified to the Belgian Banking, Finance and Insurance Commission (Commission bancaire, financière et des assurances) pursuant to Article 18 of the Belgian law of April 22, 2003 on the public offering of securities (the "Law on Public Offerings") nor has this Offering Circular been, nor will it be, approved by the Belgian Banking, Finance and Insurance Commission pursuant to Article 14 of the Law on Public Offerings. Accordingly, the Tender and Exchange Offer may not be advertised and both this Offering Circular and any other information circular, brochure or similar document relating to the Tender and Exchange Offer may be distributed, directly or indirectly, in Belgium only to qualified investors referred to in Article 6, paragraph 3 of the Law of 1 April 2007 on public acquisition offers, acting for their own account.

NOTICE TO HOLDERS IN FRANCE

This Tender and Exchange Offer is not being made, directly or indirectly, to the public in France and only qualified investors (Investisseurs Qualifiés) or a provider of investment services relating to portfolio management for the account of third parties, all as defined in and in accordance with Articles L.411-1, L.411-2 and D.411-1 and D.411-3 of the French Code Monétaire et Financier are eligible to accept this Tender and Exchange Offer. This Offering Circular and any other offering material relating to this Tender and Exchange Offer have not been and shall not be distributed to the public in France. This Offering Circular has not been submitted to the clearance of the Autorité des marchés financiers.

NOTICE TO HOLDERS IN SWITZERLAND

The Zero Coupon Notes may not be publicly offered, sold or advertised, directly or indirectly, in or from Switzerland. Neither this Offering Circular nor any other offering or marketing material relating to the Existing Issuer, the Issuer or the Zero Coupon Notes constitutes a prospectus as that term is understood pursuant

to Article 652a or 1156 of the Swiss Federal Code of Obligations, and neither this Offering Circular nor any other offering material relating to the Issuer or the Zero Coupon Notes may be publicly distributed or otherwise made publicly available in Switzerland. The Zero Coupon Notes will be offered in Switzerland and this Offering Circular and any prospectus relating to the Zero Coupon Notes will be distributed or otherwise made available in Switzerland, on a private placement basis only. No application has been made, and no application will be made, for a listing of the Zero Coupon Notes on the SWX Swiss Exchange, and consequently, the information presented in this Offering Circular does not necessarily comply with the information standards set out in the relevant listing rules. The Zero Coupon Notes have not been registered, and are not going to be registered, with the Swiss Federal Banking Commission as foreign investment funds, and the investor protection afforded to acquirers of investment fund certificates does not extend to acquirers of the Zero Coupon Notes. Holders are advised to contact their legal, financial or tax advisers to obtain an independent assessment of the financial and tax consequences of an investment in the Zero Coupon Notes.

NOTICE TO HOLDERS IN AUSTRALIA

The Tender and Exchange Offer is being made and Zero Coupon Notes are only available to professional investors as defined in section 9 of the Corporations Act 2001 (Cth) or wholesale clients as defined in section 761G of the Corporations Act 2001 (Cth).

NOTICE TO HOLDERS IN MALAYSIA

The Tender and Exchange Offer is being made and Zero Coupon Notes are only available to persons within the conditions specified in Schedules 6 and 7 of the Capital Markets and Services Act 2007.

NOTICE TO HOLDERS IN PHILIPPINES

The Tender and Exchange Offer is being made and Zero Coupon Notes are only available to persons where the Tender and Exchange Offer or subscription of Zero Coupon Notes constitutes an exempt transaction under the Securities Regulation Code (Republic Act No. 8799).

NOTICE TO HOLDERS IN EUROPEAN ECONOMIC AREA

The Zero Coupon Notes are not intended to be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC ("IMD"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "Prospectus Directive").

Consequently no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Zero Coupon Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Zero Coupon Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive, the Zero Coupon Notes may only be offered, sold or otherwise made available to legal entities which are qualified investors as defined in the Prospectus Directive.

AVAILABLE INFORMATION

For so long as any of the Zero Coupon Notes remain outstanding and are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, the Company will, during any period in which the Company is neither subject to Section 13 or Section 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the “*Exchange Act*”), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to

any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner or to the Trustee (as defined herein) for delivery to such holder, beneficial owner or prospective purchaser, in each case upon the request of such holder, beneficial owner, prospective purchaser or Trustee, the information required to be provided by Rule 144A(d)(4) under the Securities Act.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is incorporated with limited liability under the laws of Bermuda. A majority of our directors and officers reside outside the United States and all or a substantial portion of their assets and substantially all of our assets are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Company or such persons or to enforce against any of them, in the United States, judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws or other laws of the United States, or any state or territory within the United States.

Furthermore, we have been advised by our Bermuda legal counsel, Cox Hallett Wilkinson Limited, that the Bermuda courts will not enforce a U.S. federal securities law that is either penal or contrary to the public policy of Bermuda. An action brought pursuant to a public or penal law, the purpose of which is the enforcement of a sanction, power or right at the instance of the state in its sovereign capacity, may not be entertained by a Bermuda court. Certain remedies available under the laws of U.S. jurisdictions, including certain remedies under the U.S. federal securities laws, may not be available under Bermuda law or enforceable in a Bermuda court, as they may be contrary to Bermuda public policy. Further, no claim may be brought in Bermuda against us or our directors and officers in the first instance for violations of the U.S. federal securities laws because these laws have no extraterritorial jurisdiction under Bermuda law and do not have force of law in Bermuda. A Bermuda court may, however, impose civil liability on us or our directors and officers if the facts alleged in a complaint constitute or give rise to a cause of action under Bermuda law. However, section 281 of the Companies Act 1981 allows a Bermuda court, in certain circumstances, to relieve officers and directors of Bermuda companies of liability for acts of negligence, breach of duty or trust or other defaults.

CERTAIN DEFINITIONS, CONVENTIONS AND CURRENCY PRESENTATION

We have prepared this Offering Circular using a number of conventions, which you should consider when reading the information contained herein. When we use the terms "*we*," "*us*," "*our*," "*Issuer*," the "*Company*," the "*GCX Group*," and words of similar import, we are referring to Global Cloud Xchange Limited, or to Global Cloud Xchange Limited and its consolidated subsidiaries, as the context requires.

All references to the "*United States*" or "*U.S.*" are to the United States of America. All references to "*US$*," "*$*" or "*U.S. dollars*" are to United States dollars, the legal currency of the United States.

Rounding adjustments have been made in calculating some of the financial information and other amounts included in this Offering Circular. As a result, numerical figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that precede them, and actual numbers may differ from those contained herein due to rounding.

References to a particular "fiscal" year are to our financial year ended or ending March 31 of that year. References to a year other than a "fiscal" year or a year ended or ending March 31 are to the calendar year ended or ending December 31.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains "forward-looking statements" that are based on our current expectations, assumptions, estimates and projections about the Company and our industry. These forward-

looking statements are by their nature subject to various risks and uncertainties. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "anticipate," "believe," "estimate," "expect," "intend," "will," "project," "seek," "should" and similar expressions. These statements include, among other things, those regarding our future financial position and results of operations, our market position, our strategy, plans, objectives, goals and targets, future production targets or future developments in the markets where we participate or are seeking to participate. We caution you that reliance on any forward-looking statement involves risks and uncertainties and our forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future and are not a guarantee of future performance. Although we believe that the assumptions on which our forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate and, as a result, the forward-looking statements based on those assumptions could prove to be materially incorrect. Factors which could cause these assumptions to be incorrect include, but are not limited to:

- We may need to write-off US$135.4 million in receivables owed to us by RCOM.
- Our ultimate parent, RCOM, may go into insolvency.
- If RCOM goes into insolvency we may lose key clients or suffer losses under our existing contracts.
- We may be unable to launch our new Eagle subsea cable.
- We may not be able to refinance, extend or repay the GCX Secured Notes, which would have a material adverse effect on our financial condition and ability to continue as a going concern.
- RCOM will go into insolvency if the stay provided by the National Company Law Appellate Tribunal is lifted.
- If RCOM goes into insolvency we may lose the ability to monetize certain fiber assets.
- We may be subject to sale in the near future.
- The data communications service industry has had, and may continue to have, excess subsea cable capacity, which could cause prices to decline faster than the growth in demand.
- If the growth in demand for our products and services is lower than anticipated, or if the decrease in prices for such products and services is faster than expected, our results of operations and financial condition may be adversely affected.
- We may not be able to offer new products and services in a timely or cost-effective manner, which would limit our ability to compete effectively.
- Our current and planned operations in certain jurisdictions are subject to regulation and require us to obtain and maintain a number of governmental licenses and permits.
- We may require additional capital and other resources in the future and may not be able to obtain these on favorable terms or at all, or fail to produce the returns that we expect.
- Technology upgrades required for increasing network capacity or providing new services may not be successful.
- New technology may reduce demand for bandwidth, which may materially and adversely affect our financial condition and results of operations.

- We could lose customers.
- If customers' buying patterns change such that those who traditionally buy bandwidth capacity switch to leased capacity, our liquidity would be adversely affected.
- System failures may significantly disrupt the availability and quality of the services that the GCX Global Network provides.
- Certain critical elements of the GCX Global Network may need to be replaced and our actual maintenance costs may exceed our provisioning.
- If we fail to obtain and maintain access to existing metropolitan networks in key markets and expand our reach to new markets, including new cable landing stations, we may not be able to remain competitive or provide the solutions and services our customers seek.
- We may not be able to obtain additional capacity for our network from other service providers.
- A significant portion of our revenues reflect the recognition of deferred revenues associated with past sales of capacity, and thus we could experience a shortage of operating cash flow during periods of revenue growth.
- We may be unable to comply with the conditions for various tax exemptions or the tax rulings obtained, and we may not be able to fully benefit from tax exemptions or use deferred income tax assets.
- We may be exposed to liability to third parties in connection with the operations of the GCX Global Network.
- We may be liable for the information that content owners or distributors distribute over the GCX Global Network.
- We depend on our ability to retain highly qualified senior management and to hire, train and retain qualified employees.
- We depend on third parties for certain support services and to provide critical "last mile" connection to some of our customers, and such third parties may fail to perform their contractual obligations.
- Intellectual property and proprietary rights of others could prevent us from using necessary technology.
- If we fail to maintain co-operative relationships with landing parties, the GCX Global Network's operations may be impaired.
- We may pursue acquisitions to expand our asset base, network coverage or our business and may not be able to integrate our acquisitions into our existing operations or realize the financial and growth benefits expected from our acquisitions.
- Terrorist attacks and other acts of violence or war may adversely affect the financial markets and our business and operations.
- We are exposed to information technology and cyber security risks.
- The telecommunications industry is competitive.

- We are exposed to interest rate risk.
- We are exposed to counter-party risk.
- We are majority owned by a single shareholder.
- We have substantial international operations, including in developing markets, and face political, legal, tax, regulatory and other risks from our operations in multiple jurisdictions.
- Uncertainty in the global financial markets and the global economy may negatively affect our financial results.
- We may be exposed to currency exchange rate risks as a result of our operations in multiple geographic areas.
- Termination of relationships with key suppliers or a limited selection of suppliers in the market could cause delays and additional costs.
- Our costs may be impacted by global commodity prices and demand for network equipment.
- We currently have contracts with landing parties in Sudan and Iran.
- We are exposed to risks relating to violations of anti-corruption laws, sanctions, or other similar regulations.
- We may be exposed to various types of taxes in the countries in which we operate, and applicable tax rules and rates may be subject to change.
- We do not insure our subsea and terrestrial fiber-optic cables that make up the GCX Global Network.
- We are exposed to legal proceedings and contingent liabilities that could result in material losses that we have not reserved against.
- The covenants in our debt instruments limit our financial and operational flexibility.
- If we are unable to comply with the restrictions and covenants in our debt agreements or the Indenture governing the Zero Coupon Notes, there could be a default under the terms of these agreements or the Indenture governing the Zero Coupon Notes, which could cause repayment of our debt to be accelerated.
- We may not have access to the cash flow and other assets of our subsidiaries that may be needed to make payment on the Zero Coupon Notes.
- We may not have the ability to raise the funds necessary to finance the change of control offer required by the Indenture.
- Your investment in the Zero Coupon Notes may subject you to foreign exchange risks.
- The Zero Coupon Notes are subject to transfer restrictions.
- There may be difficulties in enforcing United States judgments against us and our management.

- Certain facts and statistics are derived from publications not independently verified by us or our advisors.

- Holders of the Zero Coupon Notes may have difficulty enforcing their rights across multiple jurisdictions.

- There are material differences between the Existing Notes and the Zero Coupon Notes.

- If the Conditions Precedent are met, all of the Existing Notes may be redeemed.

- If the Conditions Precedents have not been satisfied or waived (in so far as they are capable of being waived), the Tender and Exchange Offer cannot be consummated.

- The Tender Ratio and the Exchange Ratio may not reflect the market value of the Existing Notes.

- There is no existing market for the Zero Coupon Notes and an active market for the Zero Coupon Notes may not develop, which may cause the price of the Zero Coupon Notes to fall.

- The Tender and Exchange Offer may not be completed.

- Holders are responsible for complying with all of the procedures of the Tender and Exchange Offer.
- Certain restrictions apply to the transfer of Existing Notes from the time of submission of an Electronic Instruction.
- Holders may be subject to certain tax consequences in relation to the exchange of Existing Notes for Zero Coupon Notes.

- Holders need to comply with the Offer Restrictions.

- The Tender and Exchange Offer has not been independently evaluated.

- Certain creditors of RCOM may attempt to challenge the progress or consummation of the Tender and Exchange Offer and Extraordinary Resolutions, which may result in the delay or termination of the Tender and Exchange Offer and Extraordinary Resolutions.

- A Holder's Existing Notes will be blocked for a period of time if a Holder chooses to participate in the Tender and Exchange Offer and Extraordinary Resolutions.

- The Exchange Ratio does not accord equal value to an Existing Note vis-à-vis a Zero Coupon Note. Accordingly, an Electronic Exchange Instruction may be automatically converted into an Electronic Tender Instruction.

- Holders are responsible for conducting their own investigations and getting independent legal, financial and tax advice.

This list of important factors is not exhaustive. These and other factors are more fully discussed in "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Offering Circular. In light of these and other uncertainties, you should not conclude that we will necessarily achieve any plans or objectives referred to in any of the forward-looking statements and such forward-looking statements speak only as of the date on which they are made. We do not undertake to update or revise of any of these forward-looking statements, whether as a result of new information, future events or otherwise. We do not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. Accordingly, you should not place undue reliance on any forward-looking statements.

PRESENTATION OF FINANCIAL INFORMATION

The audited historical financial statements and related notes as of and for the years ended March 31, 2016, 2017 and 2018, included elsewhere in this Offering Circular, have been prepared in accordance with International Financial Reporting Standards ("*IFRS*"). Our reporting currency is the U.S. dollar.

The Issuer is the direct parent company of GCX. The Issuer has no material assets or revenues. The financial information included in this Offering Circular are therefore those of GCX and its subsidiaries.

NON-GAAP FINANCIAL MEASURES

We have included certain financial measures in this Offering Circular that are not defined under IFRS or the accounting principles generally accepted in the United States ("*GAAP*"), including Adjusted EBITDA. "Adjusted EBITDA" for any period is defined by us in this Offering Circular as net profit/(loss) for the year, excluding depreciation and amortization, finance costs, net, income tax charge/credit, profit/loss from discontinued operation and impairment of goodwill. We believe that Adjusted EBITDA may be useful to facilitate comparisons of operating performance between periods and with other companies because it excludes the effects of: (i) depreciation and amortization, which represents a non-cash charge to earnings, (ii) finance costs and finance income, which have little or no bearing on our operating performance, (iii) income tax charge/credit, (iv) profit/loss from discontinued operation, which has little or no bearing on our operating performance, and (v) impairment of goodwill, which represents a non-cash charge to earnings. Adjusted EBITDA is not a measurement of financial performance or liquidity under IFRS or GAAP and should not be considered as an alternative to net profit, operating profit or other performance measures derived in accordance with IFRS or GAAP or as an alternative to cash from operating activities as a measure of liquidity. In addition, Adjusted EBITDA is not a standardized term, hence, a direct comparison between companies using such terms may not be possible. Investors should also note that Adjusted EBITDA as presented herein may be calculated differently from Consolidated EBITDA as defined and used in the Trust Deed governing the Zero Coupon Notes. See "Description of the Zero Coupon Notes — Certain Definitions" for a description of the manner in which Consolidated EBITDA is defined for purposes of the Trust Deed governing the Zero Coupon Notes.

CAUTIONARY NOTE REGARDING MARKET AND INDUSTRY DATA

Unless otherwise indicated, all sources for market data and industry data and statistics included in this Offering Circular are estimates or forecasts contained in or derived from internal or industry sources that we believe to be reliable. Market data and certain industry forecasts (where applicable) used throughout this Offering Circular, such as broadband speed, IP traffic growth and capacity and revenue on principal subsea cable routes, have been obtained from independent experts, internal surveys, market research, publicly available information and industry publications. Although we believe these sources to be reliable, we have not independently verified these sources, and the Company does not make any representation as to the accuracy or completeness of such information.

Market and industry data and statistics are inherently speculative and are not necessarily reflective of actual market conditions. Such statistics are based on market and industry research, which themselves are based on sampling and subjective judgments by both the relevant researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market. In addition, the value of comparisons of statistics for different markets is limited by many factors, including the fact that: (i) the markets are defined differently, (ii) the underlying information was gathered by different methods and (iii) different assumptions were applied in compiling the data. Accordingly, the market and industry data and statistics included in this Offering Circular should be viewed with caution and it should be noted that the neither Company nor its affiliates or representatives is making any representation, warranty or undertaking, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the market and industry data included in this Offering Circular.

GLOSSARY OF TECHNICAL AND OTHER DEFINED TERMS

The following definitions apply throughout this Offering Circular unless the context requires otherwise:

GLOSSARY OF TECHNICAL TERMS

Backbone	:	A high-speed communications link that connects smaller, independent networks
Bandwidth	:	The relative range of analog frequencies or digital signals that can be passed through a transmission medium, such as optical fibers, without distortion. The greater the bandwidth, the greater the information carrying capacity. Bandwidth is measured in hertz (analog) or bits per second (digital)
Carrier	:	A provider of communications transmission services by fiber, wire or radio
Cloud	:	Relating to the use of Internet-based computing, whereby users can access a pool of computing resources, software, information and other devices on demand, typically involving over-the-Internet provision of dynamically scalable and often virtualized resources
Digital	:	Describes a method of storing, processing and transmitting information through the use of distinct electronic or optical pulses represented by the binary digits 0 and 1. Digital transmission/switching technologies employ a sequence of discrete, distinct pulses to represent information, as opposed to the continuously variable analog signal
Ethernet	:	A family of computer networking technologies for LANs
Firewall	:	A computer system that connects a local network to the Internet and, for security reasons, only permits certain kinds of messages in and out
Gbps	:	Gigabits per second, which is a measurement of speed for digital signal transmission expressed in billions of bits per second
Internet	:	An open global network of interconnected commercial, educational and governmental computer networks that utilize a common communications protocol, TCP/IP
IoE	:	Internet of Everything
IP	:	Internet Protocol. The TCP/IP protocol suite used by various hosts and devices to communicate with each other over the Internet
IP Services	:	Connectivity and communication services over the network, which utilizes IP as control or communication protocol. Examples include, amongst others IP VPN over MPLS, Ethernet over MPLS, Internet Transit service
IRU	:	Indefeasible Rights of Use, which refer to the right to use an agreed portion of bandwidth capacity between any two landing stations or PoPs for a defined period
IPLC Services	:	International private leased circuits, comprising point-to-point connections of dedicated bandwidth, typically on annual contracts

Local Area Network ("LAN")	:	A network designed to move data between stations within a relatively small geographic area
Lit Capacity	:	The equipped capacity that is available for use on a fiber
Multiprotocol Label Switching ("MPLS")	:	Mechanism in high-performance telecommunications networks which directs and carries data from one network node to the next by using labels to make the data forwarding decision
O&M	:	Operation and maintenance
Peering arrangements	:	Voluntary interconnection arrangements between two networks controlled by different operators, which enable their respective customers to exchange traffic (typically IP or Internet), without passing through a third transit network
PoP	:	Point of Presence. A facility to which network elements are connected and where connection with third party networks is effected
Rkm	:	Route kilometers
Service Level Agreements ("SLAs")	:	Agreements with customers stipulating the service levels, thus performance, of a circuit and providing for payment of rebates when the required levels are not achieved
Transmission Control Protocol/ Internet Protocol ("TCP/IP")	:	A compilation of network-level and transport-level protocols that allow computers with different architectures and operating system software to communicate with other computers on the Internet
Voice over Internet Protocol ("VoIP")	:	A methodology and group of technologies used for the delivery of voice communications and multimedia sessions over IP networks, such as the Internet
Virtual Private Network ("VPN")	:	VPN is a secure interconnection arrangement between various users and hosts, typically owned by enterprises, over a shared or public network infrastructure. Instead of using dedicated network infrastructure for each enterprise, use of shared or public infrastructure reduces the overall costs
Wide Area Network ("WAN")	:	A communications network (most commonly, a computer network) that is spread over a very large area, often across cities, countries or even continents
World Wide Web or Web	:	A network of computer servers that uses a special communications protocol to link different servers throughout the Internet and permits transmission of data, including graphics, video and sound

GLOSSARY OF GENERAL TERMS

%	:	Per centum or percentage
Clearing System	:	Euroclear Bank S.A./N.V. or Clearstream Banking S.A.
Director	:	A director of GCX
Electronic Exchange Instruction	:	Shall have the meaning given to such term in the Tender and Exchange Offer Memorandum
Electronic Tender Instruction	:	Shall have the meaning given to such term in the Tender and Exchange Offer Memorandum
Eligible Holder	:	(a) a qualified investor (as defined in the Prospectus Directive) who is not a U.S. Person (as such term is defined under Regulation S of the U.S. Securities Act of 1933) outside of the U.S. or (b) a person to whom this Offering Circular can otherwise be lawfully made and that may lawfully participate in the Tender and Exchange Offer. In its absolute discretion at any time prior to the Expiration Time on the Expiration Date, the Issuer may extend the definition of Eligible Holder to also include any person (U.S. Person or otherwise) that (i) is in a category of investors that has been approved to participate by the Issuer in its absolute discretion; and (ii) is a person to whom the Offering Circular can otherwise be lawfully made and that may lawfully participate in the Tender and Exchange Offer
Exchange Ratio	:	Shall have the meaning given to such term in the Tender and Exchange Offer Memorandum
Executive Officers	:	The executive officers of GCX
Extraordinary Resolutions	:	The extraordinary resolutions contained in the notice of meeting to the holders of the Existing Notes published on July 19, 2018 by RCOM
Financial Year or FY	:	Financial year ended or, as the case may be, ending March 31
GCX	:	GCX Limited
GCX Global Network	:	The network owned and operated by GCX
GCX Secured Notes	:	The US$350,000,000 7.00% Senior Secured Notes due 2019 issued by GCX
IFRS	:	International Financial Reporting Standards
Independent Auditor	:	Price Waterhouse, Chartered Accountants
Modification Deadline		9:00 am London time on August 16, 2018, being the latest time and date by which the Issuer must publish any amendment, extension or modification the terms of the Tender and Exchange Offer

National Stock Exchange or NSE	:	The National Stock Exchange of India
O&M Agreements	:	The service, operation and maintenance agreement dated February 27, 2003 between RFTIL, RCOM and RCIL and the service, operation and maintenance agreement dated June 4, 2003 between RFTIL and RCIL (together, the "*O&M Agreements*")
One Stop Shop Services Agreement	:	The one stop shop services agreement entered into on April 3, 2006 between RCOM and RFTIL
Person Resident in India		Shall have the meaning ascribed thereto under the (Indian) Foreign Exchange and Management Act, 1999
Regulation S	:	Regulation S under the U.S. Securities Act
RCIL	:	Reliance Communications Infrastructure Ltd., an affiliate of GCX
RCOM	:	Reliance Communications Limited, our controlling shareholder
RFTIL	:	Reliance FLAG Telecom Ireland DAC, one of our subsidiaries
RGBV	:	Reliance Globalcom B.V., the parent company of the Issuer
RGL	:	Reliance Globalcom Limited, one of our subsidiaries
RITL	:	Reliance Infratel Limited
RTL	:	Reliance Telecom Limited
Rule 144A	:	Rule 144A under the U.S. Securities Act
SGX-ST	:	Singapore Exchange Securities Trading Limited
Settlement Date	:	The date on which the Zero Coupon Notes are issued in exchange for the surrender and cancellation of the Existing Notes
Tender Ratio	:	Shall have the meaning given to such term in the Tender and Exchange Offer Memorandum
Indenture	:	The Indenture, dated on or about August 27, 2018, between the Issuer and the Trustee
United States or U.S.	:	United States of America
US$ or U.S. dollars and cents	:	U.S. dollars and cents, the lawful currency of the United States of America
U.S. Person		Shall have the meaning assigned to such term under Regulation S of the U.S. Securities Act
U.S. Securities Act	:	U.S. Securities Act of 1933, as amended

SUMMARY

This summary highlights information contained elsewhere in this Offering Circular and does not contain all of the information that you should consider before investing in our Zero Coupon Notes. You should read this entire document, including "Risk Factors" and the historical financial statements and related notes included elsewhere in this Offering Circular, before making an investment decision. This Offering Circular includes forward-looking statements that involve risks and uncertainties. See "Forward-Looking Statements."

Overview

We are one of the leading global data communications service providers with one of the largest global subsea cable and terrestrial networks. We serve a diverse customer base, including major telecommunications carriers, large multinational enterprises and new media companies. Our wide range of products allows our customers to create, manage and connect their networks globally.

We provide our services through a global network of subsea cables, landing stations, terrestrial networks, IP network and managed network services platforms controlled by a fully redundant global network operating center ("***GNOC***") (collectively, the "***GCX Global Network***"). The GCX Global Network connects most of the major telecommunications hubs across the globe, from the developed markets in the U.S. and Europe to key emerging markets in the Middle East and Asia, including India and China. The principal elements of the GCX Global Network include:

- Five subsea cable systems operating on major global data traffic routes, namely, the Trans-Atlantic route, the Europe-Asia route, the Europe-Middle East & Egypt route and the Intra-Asia route. As of March 31, 2018, these cable systems had a total length of 68,698 route kilometers ("***rkm***") and landed at 46 landing stations in 27 countries;

- Owned and leased terrestrial networks with a total length of 9,510 rkm in over 25 metropolitan areas across 14 countries covering major business centers. These terrestrial networks are integrated with our subsea cable systems;

- A scalable global IP and multi-protocol label switching ("***MPLS***") network provided over 27 diverse owned and leased international subsea and terrestrial cable routes with 1224 direct inter-connections to 624 third party networks;

- A managed network services platform that connects approximately 22,000 sites in 150 countries through a combination of leased and owned infrastructure offered through a dedicated secure IP network; and

- Two GNOCs in Heathrow, London and Mumbai that act as the global network operational centers of the GCX Global Network, the functions of which include 24-hour monitoring, network operations, restoration coordination and technical support.

We offer a broad range of products and services including:

- Managed network services, which include network design, implementation, operations and management for enterprise customers and typically have contract periods of two to five years.

- Internet Protocol ("***IP***") services, which provide Internet and VPN point-to-multi-point connectivity and typically have contract periods of one year;

- Bandwidth capacity on the GCX Global Network that we sell in the form of indefeasible rights of use ("***IRUs***"), which are typically 15-year contracts paid for upfront, and annual operations and maintenance ("***O&M***") services related to these IRUs; and

- International Private Leased Circuits ("***IPLC***") services, which provide point-to-point connectivity and typically have contract periods of one to three years.

Our total revenue and profits have both declined during the past three financial years. For the years ended March 31, 2018, 2017 and 2016, our revenue was US$369.2 million, US$406.6 million and US$439.8, respectively, and our operating profit/(loss) for the corresponding years was US$29.9 million, US$(18.8) million and US$62.3 million.

We have principal offices in Mumbai, Hong Kong and London. As of March 31, 2018 we had 936 sales and support staff across four sales regions and 21 locations.

Our Strengths

We believe we have the following key strengths:

Attractive industry fundamentals

We believe that the global data communications services industry has attractive growth prospects driven by various factors, which include:

- the rapid increase of Internet users, particularly in emerging markets;

- consumer demand for faster broadband speeds;

- the increase in the number of connected devices such as smartphones, tablets and other IoE gadgets;

- growth in demand of data-intensive applications such as social networking, video, online gaming, file sharing and remote file storage; and

- the development and widespread implementation of Cloud computing technologies by enterprises that require high bandwidth and low-latency global networks.

We believe that our comprehensive range of product and service offerings and the scale and extent of the GCX Global Network places us in a position to benefit from the expected increase in demand in the data communications services industry.

Ownership and control of a leading global data communications services network

The GCX Global Network is distinguished by its geographic coverage and ability to provide both subsea and terrestrial connectivity to major telecommunications hubs. Our network connects most of the major telecommunications hubs across the globe, from the developed markets in the U.S. and Europe to the key emerging markets in the Middle East and Asia, including India and China.

Substantially all of the GCX Global Network is owned by us, giving us greater flexibility and freedom to:

- make network changes and upgrades in a shorter time frame;

- add new cables, spurs and PoP and to expand our terrestrial network in a more cost-efficient way;

- introduce and quickly implement new technologies for increasing capacity through the entire subsea cable system, for example upgrading from 100 Gbps to 400 Gbps per wave on specific segments;

- provide customers with seamless connectivity solutions across multiple routes, countries and continents; and

- maintain control over 100% of our available capacity, thereby eliminating internal price competition on the same cable system.

Highly diversified customer base

We have a diverse customer base, including major telecommunications carriers, large multi-national enterprises and new media companies. We believe that we have been successful in retaining a significant portion of our customers and in selling them additional services. As of March 31, 2018 our customer base included 340 customers, of which approximately 83% have been using our services for more than three years. For the financial year ended March 31, 2018, our top 20 customers, excluding RCOM and its subsidiaries, accounted for 36% of our service revenue and our largest customer accounted for 3.8% of our service revenue. Our customer base is also geographically diverse. For the financial year ended March 31, 2018, we generated 13.5%, 20.8%, 30.4%, 15.2%, and 20.0%, of our total service revenue, respectively, from India, the Middle East, Europe, the United States and Asia (excluding India and the Middle East).

Long term contracts with high revenue visibility

Revenue from bandwidth capacity sales in the form of IRUs is recognized on a straight-line basis over the contract period, typically 15 years. The related O&M revenue rate is also fixed at the outset of the contract and is billed annually and recognized over the period in which the service is provided. IPLC contracts typically have contract periods of one to three years, while IP services typically have contract periods of one year and managed network services typically have contract periods of two to five years.

Global organization led by an experienced management team with a strong track record of execution

Our senior management team and key personnel have extensive operating and industry experience in, and in-depth market knowledge of, the telecommunications industry. A majority of our senior management has more than 20 years of telecommunications industry experience in network operations, sales and marketing and business development. We also have senior management presence in key markets, such as India, Hong Kong, Japan, the Middle East, the U.K. and the U.S., which gives us the leverage of local expertise. Our management team has demonstrated the ability to operate successfully across multiple cultures, jurisdictions and regulatory regimes.

Our global presence allows us to be close to our principal customers. As of March 31, 2018, we had 108 sales and sales support staff across 28 locations. We also had 618 engineering and operational support staff across 18 countries. Our back office staff which includes finance, customer service for managed network services, information technology, procurement and human resources is primarily based in Mumbai, which is a relatively low-cost location.

Our CEO, Mr. William Barney, is a veteran of the telecommunications industry, with a career spanning more than 15 years in Asia and 10 years at the level of Chief Executive Officer at Pacnet Limited ("*Pacnet*"). Under the leadership of Mr. Barney, we launched a new corporate identity and rebranded as Global Cloud Xchange, so as to align with our strategic plan to deliver an integrated portfolio of infrastructure and managed

network services with sophisticated Cloud capabilities, especially across key emerging markets in Asia and the Middle East.

Both our Chief Financial Officer, Mr. Rory Cole, and our Chief Operating Officer, Mr. Wilfred Kwan, have extensive experience in the telecommunications industry. Mr. Cole's experience includes complex corporate and financial restructurings including that of MCI/Worldcom. He also played a major role in Verizon's acquisition of MCI as the Chief Operating Officer of Verizon business' international business unit. Mr. Kwan has served as the Chief Technology Officer of Pacnet and Asia Netcom, and also as Senior Vice President of Network Operations of Asia Global Crossing.

Strong financial position with operating cash flows adequately covering capital expenditures

We generate substantial cash flow from operations, which we have used to finance our capital expenditures. During the last three financial years, we generated a total of US$134.01 million in net cash generated from operating activities. During the same period, we used US$83.7 million for the purchase of property, plant and equipment and intangibles. As a result of our strong operating cash flow generation and disciplined capital expenditure management, we have been able to maintain a low debt gearing. We expect to continue to use our cash flow from operations to service our indebtedness.

In the financial years ended March 31, 2018, 2017 and 2016, we recorded US$51.6 million, US$31.2 million and US$51.2 million, respectively, of net cash generated from operating activities.

Our Strategies

We intend to maintain our financial strength and generate strong operating cash flows while making investments to drive sustained revenue and profit growth.

Expand the GCX Global Network to strengthen our market position

We believe that further development will allow us to realize further economies of scale and savings in network costs, enhancing our ability to provide our customers with products and services with higher quality, and adding several important business hubs to the GCX Global Network.

Focus on the "Emerging Markets Corridor"

Our GCX Global Network links major hubs in the fast growing emerging markets in the Middle East and Asia, such as Hong Kong, which are driving the growth in data traffic. Our GCX Global Network connects these hubs to the large markets in Western Europe and North America, creating what we believe can be called the "Emerging Markets Corridor." Nearly half of the world's population is reachable within a short distance from India's borders, giving the country a strategic edge in the new Digital Era. The demand for international bandwidth connected to Asian countries is expected to increase more than ten-fold between 2017 and 2023, while bandwidth linking Europe to the Middle East and the rest of Asia is forecast to grow seven-fold over the same period. We plan to continue to focus our efforts in strengthening and expanding our network and customer base along the Emerging Markets Corridor.

Enhance our products and service capabilities to establish leadership position as a global Cloud exchange

We intend to broaden our suite of existing products and services to take advantage of the rapid growth in Cloud computing and the corresponding growth in internet traffic. We plan to address the requirements of our enterprise customers by providing a full range of Cloud services at our Cloud nodes, including (1) infrastructure as a service ("IaaS"), (2) platform as a service ("PaaS"), (3) software as a services ("SaaS") and (4) access to public Cloud services. We intend to offer products and capabilities that can ease the migration from premises-based services to Cloud, allowing them to interface both with GCX and public Clouds, and to offer tools and connectivity to facilitate the adoption of the Cloud services. We believe that the extent and connectivity of the

GCX Global Network and data centers, as well as our established customer base, will allow us to provide these services with low incremental capital expenditure. These new products and services, with one-stop shopping capability, will enable greater utilization of our network, supplement our recurring revenue and should reduce customer churn. With this broadened set of products and services, we intend to target clients in the technology sector who are expected to increase their IT spending, specifically investing in Cloud services, over the next decade.

Enhance the effectiveness of our sales platform

In order to enhance our product and service capabilities and improve productivity, we have implemented changes to our sales organization, which included recruiting additional sales people with technology expertise and launching our new sales compensation policy. Sales staff are compensated on the incremental recurring revenue growth generated by them. We believe that this structure helps us maintain our recurring revenue and increase productivity by providing employees with incentives to meet or exceed their target sales goals.

Strengthen the GCX brand

We launched the GCX brand in March 2014 to consolidate the various products and services offered under different brands by RCOM's global subsidiaries including as RGL, Vanco and Yipes. We have been strengthening the GCX brand through extensive interaction with media, including social media, industry analysts and customers. We also provide a corporate Internet website in order to provide a rich and dynamic user experience. The website links into our interactive customer portals. In addition, we made key changes to our enterprise proposals, such as customizing these proposals with interactive media and executive participation, to distinguish ourselves from competitors and demonstrate attention to detail. Through targeted industry events, advertising, exhibitions and media venues, we plan to continue to showcase the GCX brand and our leadership.

Manage costs, increase cash flows and maintain flexibility in capital expenditure

We have a proven track record of managing our costs. Historically, our operating cost base has declined, with net operating costs (which comprise network operation expenses, employee cost and other expenses) decreasing by 7.4% from US$277.1 million for the year ended March 31, 2017 to US$256.7 million for the year ended March 31, 2018 on an aggregate basis. We will continue to identify and implement cost efficiency measures.

We have improved the utilization of our subsea and terrestrial networks and generated additional cash flow by selectively disposing of surplus capacity across our existing subsea cable networks on the Trans-Atlantic and Middle Eastern routes. We plan to take a tailored approach to capital expenditures on our subsea networks, by considering additional demand and possibly reviewing potential partnership structures.

THE ZERO COUPON NOTES

The summary below describes the principal terms of the Zero Coupon Notes. Some of the terms and conditions described below are subject to important limitations and exceptions. See "Description of the Zero Coupon Notes" for a more detailed description of the terms and conditions of the Zero Coupon Notes. Terms used and otherwise not defined in the summary below shall have the meanings given to them in "Description of the Zero Coupon Notes."

Issuer	Global Cloud Xchange Limited.
Zero Coupon Notes Offered	US$45,000,000 aggregate principal amount.
Maturity Date.....	August 27, 2023.
Interest	The Zero Coupon Notes will bear no interest.
Ranking.....	The Zero Coupon Notes are senior unsecured obligations. Accordingly, they will be: • senior obligations of the Issuer, will rank *pari passu* in right of payment with all existing and future senior indebtedness of the Issuer; • senior in right of payment to all existing and future subordinated indebtedness of the Issuer; • subordinated to all of the Issuer's existing and future secured liabilities; • and will be structurally subordinated in right of payment to all existing and future liabilities of our subsidiaries.
Optional Redemption.....	We may redeem at any time all or a part of the Zero Coupon Notes upon not less than 10 nor more than 60 days' notice, at a redemption price equal to 100.00% of the principal amount of the Zero Coupon Notes to be redeemed. See "Description of the Zero Coupon Notes — Optional Redemption."
Certain Covenants.....	The Indenture governing the Zero Coupon Notes will contain covenants that will, among other things, limit our ability and the ability of certain of our subsidiaries to, among other things: • incur or guarantee additional indebtedness or issue preferred stock; • pay dividends or make other distributions; • make certain investments; • enter into arrangements that restrict dividends or other payments to us from our Restricted Subsidiaries;

	• create liens; • enter into sale and leaseback transactions; • sell assets, including capital stock of subsidiaries; • engage in transactions with affiliates; • engage in any business other than permitted business; and • merge or consolidate with other companies or sell substantially all of our assets. These covenants are subject to a number of important exceptions and limitations, which are described under "Description of the Zero Coupon Notes."
Change of Control Triggering Event	Upon the occurrence of a Change of Control Triggering Event, we will be required to make an offer to purchase each holder's Zero Coupon Notes at a repurchase price equal to 100.00% of their principal amount. See "Description of the Zero Coupon Notes— Purchase at the option of Holders — Change of Control."
Asset Sales and Events of Loss	If we sell certain assets or experience certain events of loss and do not apply the proceeds thereof in full as permitted, we will be required to make an offer to purchase Zero Coupon Notes at a purchase price equal to 100.00% of their principal amount. See "Description of the Zero Coupon Notes — Certain Covenants — Limitation on Asset Sales" and "— Events of Default and Remedies."
No Prior Market.....	The Zero Coupon Notes will be new securities for which there is no market.
Transfer Restrictions.....	The Zero Coupon Notes have not been, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction and are subject to restrictions on transferability and resale. See "Transfer Restrictions."
Form, Denomination and Registration.....	Except as provided in "Description of the Zero Coupon Notes", interests in the Zero Coupon Notes will be in uncertificated book-entry form. Acquirors electing to hold book-entry interests in the Zero Coupon Notes through Euroclear and Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional eurobonds. The Zero Coupon Notes will be issued without coupons and in minimum denominations of US$200,000 of principal amount and integral multiples of US$1 in excess thereof.
Delivery of the Zero Coupon Notes.....	We expect to make delivery of the Zero Coupon Notes on August 27, 2018.

Listing and Trading ……..	Application will be made for the listing and quotation of the Zero Coupon Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any statements made, opinions expressed or reports contained in this Offering Circular. Approval in-principle for the listing and quotation of the Zero Coupon Notes and admission of the Zero Coupon Notes to the Official List of the SGX-ST are not to be taken as an indication of the merits of the offering, the Issuer, its subsidiaries or any of its associated companies or the Zero Coupon Notes. For so long as the Zero Coupon Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Zero Coupon Notes will be traded on the SGX-ST in a minimum board lot size of US$200,000.
Trustee	Madison Pacific Trust Limited.
Paying Agent	The Bank of New York Mellon, London Branch.
Transfer Agent and Registrar.....	The Bank of New York Mellon SA/NV, Luxembourg Branch.
Exchange Agent	Lucid Issuer Services Limited.
Governing Law.....	The Zero Coupon Notes and the Indenture will be governed by and will be construed in accordance with the internal laws of the State of New York.
Risk Factors	For a discussion of certain factors that should be considered in evaluating an investment in the Zero Coupon Notes, see "Risk Factors."
Direct Participants	Each person who is shown in the records of Euroclear or Clearstream, Luxembourg as a holder of an interest in the Existing Notes.
Expiration Time.....	9:00 am London time.
Expiration Date.....	August 22, 2018.

SUMMARY HISTORICAL FINANCIAL INFORMATION AND OTHER INFORMATION.

The following tables are derived from our historical audited financial statements. The summary historical financial information as of and for the years ended 2016, 2017 and 2018 has been derived from our audited financial statements included elsewhere in this Offering Circular.

Our historical financial statements have been prepared and presented in accordance with IFRS. Our historical results do not necessarily indicate our expected results for any future period. You should read the following information in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical financial statements and the related notes that are included elsewhere in this Offering Circular.

STATEMENTS OF COMPREHENSIVE INCOME

	For the year ended March 31,		
	2016	**2017**	**2018**
	US$	**US$**	**US$**
Continuing Operations			
REVENUE			
Service revenue	431,379,495	403,109,629	361,853,834
Other income	8,419,405	3,471,989	7,342,833
TOTAL REVENUE	**439,798,900**	**406,581,618**	**369,196,667**
EXPENSES			
Network operation expenses	210,806,555	192,215,412	170,924,167
Employee cost	54,679,608	56,688,828	61,782,576
Depreciation and amortization	84,961,876	78,786,226	82,565,555
Impairment of goodwill	-	69,460,848	-
Other expenses	27,027,138	28,194,707	23,982,922
TOTAL EXPENSES	**377,475,177**	**425,346,021**	**339,255,220**
Operating profit	**62,323,723**	**(18,764,403)**	**29,941,447**
Finance income	17,720	66,772	45,477
Finance costs	(27,738,358)	(27,930,711)	(27,867,033)
Finance costs, net	**(27,720,638)**	**(27,863,939)**	**(27,821,556)**
(Loss)/ Gain on foreign currency fluctuation (net)	(2,202,261)	1,356,209	(2,445,454)
Profit before income tax	**32,400,824**	**(45,272,133)**	**(325,563)**
Income tax (charge)/credit	8,346,387	874,190	(639,463)
Net profit/(loss) from continuing operations	**40,747,211**	**(44,397,943)**	**(965,036)**
Discontinued Operations			
Net profit/(loss) from discontinued operations	(19,937,342)	(192,225,898)	5,864,947
Net profit for the year	**20,809,869**	**(236,623,841)**	**4,899,921**
Other comprehensive income/(loss):			
Currency translation differences	(5,851,446)	(11,167,950)	(261,242)
Total other comprehensive income for the year	**(5,851,446)**	**(11,167,950)**	**(261,242)**
Total comprehensive income for the year	**(14,958,423)**	**(247,791,791)**	**4,638,679**

	For the year ended March 31,		
	2016	2017	2018
	US$	US$	US$
Continuing Operations			
Net profit attributable to:			
Our owners	20,797,176	(236,725,611)	4,828,079
Non-controlling interest	12,693	101,770	71,842
Total comprehensive income attributable to:			
Our owners	14,945,730	(247,893,561)	4,566,837
Non-controlling interest	12,693	101,770	71,842

STATEMENTS OF FINANCIAL POSITION

	As of March 31,		
	2016	**2017**	**2018**
	US$	**US$**	**US$**
ASSETS			
Current Assets			
Trade and other receivables	206,841,231	255,805,764	273,394,134
Cash and bank deposits	83,410,140	62,948,786	47,571,142
Total current assets	**290,251,371**	**318,754,550**	**320,965,276**
Non-current Assets			
Property, plant and equipment	987,536,809	934,868,269	878,233,827
Capital work-in-progress	18,818,731	181,371	52,611
Intangible assets	374,289,383	117,236,403	106,082,979
Intangible assets under development	-	-	3,300,000
Trade and other receivables	18,190,411	13,877,300	17,309,877
Income tax assets	2,413,747	2,231,888	1,899,158
Deferred income tax assets	233,282	925,746	77,799
Total non-current assets	**1,401,482,363**	**1,069,320,977**	**1,006,956,251**
TOTAL ASSETS	**1,691,733,734**	**1,388,075,527**	**1,327,921,527**
LIABILITIES			
Current Liabilities			
Borrowings	5,658,889	15,541,423	4,083,334
Trade and other payables	179,100,464	174,750,522	167,425,223
Deferred revenue	146,013,997	140,995,813	146,606,554
Current tax liabilities	3,085,301	1,712,911	1,305,642
Total current liabilities	**333,858,651**	**333,000,669**	**319,420,753**
Non-current Liabilities			
Borrowings	358,876,686	358,415,858	348,982,875
Trade and other payables	1,225,190	1,533,721	1,491,792
Deferred revenue	533,987,870	483,722,106	441,923,158
Asset retirement obligation	20,533,959	20,904,782	21,282,386
Deferred tax liabilities	6,256,721	1,295,525	979,018
Total non-current liabilities	**920,880,426**	**865,871,992**	**814,659,229**
TOTAL LIABILITIES	**1,254,739,077**	**1,198,872,661**	**1,134,079,982**
Equity attributable to our owners			
Share capital	235,322,790	235,322,790	235,322,790
Share premium	104,163,499	104,163,499	104,163,499
Retained earnings	86,853,782	(149,871,829)	(145,043,750)
Foreign currency translation reserve	(59,374,780)	(70,542,730)	(70,803,972)
Other reserves	72,816,469	72,816,469	72,816,469
Total equity attributable to our owners	**439,781,760**	**191,888,199**	**196,455,036**
Non-controlling interest	(2,787,103)	(2,685,333)	(2,613,491)
TOTAL EQUITY	**436,994,657**	**189,202,866**	**193,841,545**
TOTAL LIABILITIES AND EQUITY	**1,691,733,734**	**1,388,075,527**	**1,327,921,527**

SELECTED ITEMS FROM STATEMENTS OF CASH FLOW

	For the year ended March 31,		
	2016	**2017**	**2018**
	US$	**US$**	**US$**
Net cash from/(used in) operating activities	51,221,921	31,156,591	51,632,201
Net cash used in purchase of property, plant and equipment and intangibles	(32,310,057)	(21,446,308)	(29,982,080)
Net cash from/(used in) investing activities	(32,291,735)	(21,378,154)	(29,935,131)
Net cash from/(used in) financing activities	(27,956,482)	(32,089,352)	(35,690,064)
Net increase/(decrease) in cash and cash equivalents	(9,026,296)	(22,310,915)	(13,992,994)

The following tables reconcile our net profit for the year to Adjusted EBITDA for the periods presented:

	As of the year ended March 31,		
	2016	**2017**	**2018**
	US$	**US$**	**US$**
Net profit for the year	20,809,869	(236,623,841)	4,899,921
Add: (Profit)/loss from discontinued operation	19,937,342	192,225,898	(5,864,947)
Add: Income tax charge/(credit)	(8,346,387)	(874,190)	639,463
Add: Finance costs	27,738,358	27,930,711	27,867,033
Less: Finance income	(17,720)	(66,772)	(45,477)
Add: Depreciation and amortization	84,961,876	78,786,226	82,565,555
Add: Impairment of goodwill	-	69,460,848	-
Adjusted EBITDA[(1)]	**145,083,338**	**130,838,880**	**110,061,548**

(1) Adjusted EBITDA for any period is defined as net profit/(loss) for the year, excluding depreciation and amortization, finance costs, net, income tax charge/credit, profit/loss from discontinued operation and impairment of goodwill. We believe that Adjusted EBITDA may be useful to facilitate comparisons of operating performance between periods and with other companies because it excludes the effects of: (i) depreciation and amortization, which represents a non-cash charge to earnings, (ii) impairment of goodwill, which represents a non-cash charge to earnings, (iii) finance costs and finance income, which have little or no bearing on our operating performance (iv) income tax charge/credit and (v) profit / loss from discontinued operation, which have little or no bearing on our operating performance. Adjusted EBITDA is not a measurement of financial performance or liquidity under IFRS and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities as a measure of liquidity. In addition, Adjusted EBITDA is not a standardized term, hence, a direct comparison between companies using such terms may not be possible.

RISK FACTORS

An investment in the Zero Coupon Notes involves risks. You should consider the following risk factors carefully, together with all other information contained in this Offering Circular, before deciding to participate in the Tender and Exchange Offer. The risks described below are not the only ones we are facing. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial, may also materially and adversely affect our business operations in the future. Any of the following risks could materially adversely affect our business, financial condition, results of operations or cash flows. In such case, you may lose all or part of your original investment.

This document contains forward-looking statements that involve risks and uncertainties and are based on our current expectations, assumptions, estimates and projections about us and our industry. Our actual results could differ materially from those anticipated in these forward-looking statements owing to certain factors, including the risks we face as described below.

Risks Relating to Our Business and Industry

We may need to write-off US$135.4 million in receivables owed to us by RCOM.

As of March 31, 2018, the GCX Group has outstanding trade receivables from RCOM and its subsidiaries amounting to US$135.4 million and advances to vendors include receivables of US$8.5 million. Although we have entered into a binding term sheet with RCOM and its subsidiaries for the acquisition of certain data centers, the consideration for which is to be satisfied by offsetting such receivables, should RCOM go into insolvency, we may not be able to recover all, or any, of the outstanding amount owed to us. See "Our Business — Recent Developments — Purchase of data centers." A write-off of such receivables may have a material adverse effect on our financial condition and results of operations.

Our ultimate parent, RCOM, may go into insolvency.

We have significant commercial relationships with RCOM, for example: (i) RCOM and its subsidiaries are our largest customer, representing approximately 9.48% of our service revenue for the financial year ended March 31, 2018; and (ii) we rely on domestic connectivity provided by RCOM, which enables us to connect our international cable network to and from Mumbai and then on to Chennai and for the Mumbai-Trivandrum-Mumbai loop, both of which are critical to our ability to provide seamless connectivity within and across the region.

The Reserve Bank of India ("*RBI*") published new guidelines on February 12, 2018 (the "*Guidelines*") setting out certain thresholds under which lenders with significant exposure to Indian companies such as RCOM that were in default as of March 1, 2018, are required to initiate steps to cure the default and implement a restructuring proposal by August 27, 2018. Failure to do so may place an obligation on lenders to make an application to place RCOM into insolvency under the Insolvency and Bankruptcy Code 2016.

To reduce its debt and liabilities and avoid insolvency proceedings, RCOM ran a competitive bidding process beginning in the third quarter of fiscal year 2017 to monetize some of its assets. The successful bidder for certain assets which were the subject of this competitive process was Reliance Jio Infocomm Limited ("*RJIL*"). RCOM has entered into an agreement with RJIL for the sale and transfer in respect of certain assets (subject to required permits, sanctions and approvals) (the "*Jio Sale*"). Although the Jio Sale has not been consummated, the parties are working together to close the Jio Sale and resolve and restructure the debt of RCOM (in compliance with the Guidelines) prior to the August 27, 2018 deadline set by RBI.

We have not obtained, and generally do not obtain, independent bids or appraisals of the financial or other terms of our contracts with RCOM and its subsidiaries. Disagreements or conflicts of interest may arise between us on the one hand, and RCOM on the other hand, as a result of the various commercial arrangements,

particularly if significant co-marketing or partnership arrangements develop that require us to negotiate revenue or cost-sharing arrangements. The Jio Sale could also have significant implications in our relations with RCOM and may require us to enter into new partnership and commercial arrangements with RJIL. See "—If RCOM goes into insolvency we may lose key clients or suffer losses under our existing contracts", "—We may be unable to launch our new Eagle subsea cable", "—If RCOM goes into insolvency we may lose the ability to monetize certain fiber assets."

If RCOM goes into insolvency we may lose key clients or suffer losses under our existing contracts.

The GCX Global Network utilizes RCOM as the landing party in India for the FALCON cable system. Our ability to offer end-to-end services in India is dependent on RCOM's ability to provide us with access to terrestrial networks that can be connected to the GCX Global Network. For example, as part of a contract with one of our key clients, we are procuring through RCOM three different backhaul routes between the Versova Cable Landing Station and GPX (data center) and Lawful Intercept Monitoring equipment. Despite RCOM's contractual obligations and other commitments, there can be no assurance that it will perform its contractual obligations, particularly if RCOM goes into insolvency. If we are unable to fulfill our contractual obligations with such client, we will need to refund them approximately US$21.0 million already received under such contract and we will lose the ability to receive a US$49.0 million payment due to us upon the completion of the first phase of the project. Any failure from RCOM to fulfill its obligations as a landing party may have a material adverse effect on our connectivity in India.

We may be unable to launch our new Eagle subsea cable.

On June 19, 2018, we announced the confirmation of our proposed new Eagle Subsea Network. We may be unable to complete this project if RCOM, our landing party in India, goes into insolvency. On-shore assets and related service revenue are subject to regulation and various landing licenses, operators' licenses and other permits in India. Our ability to obtain such government approvals to land a new subsea cable system in India in order to complete the Eagle landing will be materially hindered if the landing party, RCOM, is in insolvency.

There can be no assurance that we will be able to obtain the authorizations that we need to implement the new Eagle Subsea Network, or that if obtained, such permits will not subsequently be revoked or otherwise terminated. If we are unable to complete the Eagle Subsea Network or such project is delayed, our financial condition and results of operations may be materially and adversely affected.

We may not be able to refinance, extend or repay the GCX Secured Notes, which would have a material adverse effect on our financial condition and ability to continue as a going concern.

We will need to raise a significant amount of debt or equity capital in the near future in order to repay our outstanding debt obligations under the GCX Secured Notes when they mature in 2019. If we are unable to raise sufficient capital to repay these obligations at maturity or we are otherwise unable to extend the maturity date or refinance these obligations, we would be in default of the GCX Secured Notes. We cannot provide any assurances that we will be able to raise the necessary amount of capital to repay these obligations or that we will be able to extend the maturity dates or otherwise refinance these obligations at comparable rates. Upon a default in the GCX Secured Notes, the noteholders would have the right to exercise their rights and remedies, which include foreclosing on the assets securing the GCX Secured Notes. In addition, an increase in the interest rate payable in any new debt instrument could significantly increase our interest expense obligations, which would have a material adverse effect on our financial condition. Accordingly, if we default under the GCX Secured Notes or are unable to raise debt at attractive rates, our financial condition and results of operations may be materially and adversely affected.

RCOM will go into insolvency if the stay provided by the National Company Law Appellate Tribunal is lifted.

On May 15, 2018 and May 18, 2018, the National Company Law Tribunal ("NCLT") issued orders under Section 9 of the Indian Insolvency and Bankruptcy Code 2016 admitting a petition for insolvency (filed by Swedish telecoms group, Ericsson India Private Limited) against RCOM and two of its affiliates, RITL and RTL in respect of an unsecured debt of approximately US$149 million. The NCLT orders effectively prevented the consummation of the Jio Sale. On May 21, 2018, respective directors of RCOM, RITL and RTL appealed (the "Appeal") to the National Company Law Appeal Tribunal (the "NCLAT").

RCOM, RITL and RTL were successful in obtaining a stay on the orders granted by the NCLT on the basis that: (i) a settlement had been reached with Ericsson; and (ii) that Rs. 550 crores would be paid within 120 days (i.e. by September 30, 2018). The NCLAT has permitted RCOM, RTL and RITL to proceed with the Jio Sale and the proceeds of the sale can be deposited in the account of the lead bank. The Appeal has been listed for admission on October 3, 2018.

Based on petitions filed by RCOM, RITL and RTL in the Supreme Court seeking to effectuate the settlement with Ericsson as recorded in the NCLAT order, the Supreme Court has directed the adherence to the timeline of making payment of Rs. 550 crore on or before September 30, 2018 and permitted the sale of the assets of RCOM, RITL and RTL to go through. The matter has been listed to be heard by the Supreme Court on October 1, 2018. In addition, RCOM has also not reached an agreement with the rest of its creditors, who may also file separate petitions to restructure their debts with RCOM.

In the event that RCOM is unable to effectuate the settlement with Ericsson, or the stay is not extended, or if other creditor of RCOM file separate petitions to restructure their debts, RCOM could be once again forced into insolvency proceedings under the Insolvency and Bankruptcy Code 2016.

If RCOM goes into insolvency we may lose the ability to monetize certain fiber assets.

We have identified certain fiber assets in our network that may be monetized. We may optimize our current use of these assets to free up surplus capacity and monetize such assets to service our current debt. If RCOM goes into insolvency we may be unable to monetize some of these assets, thus depriving us of a material source of liquidity. This, in turn, could have a material adverse effect on our financial condition and results of operations.

We may be subject to sale in the near future.

RCOM is planning a sale of the GCX Group. Some of the processes, assets and operations that are critical to our business are deeply integrated with those of RCOM. In the event of a sale of our business, our operations may be disrupted while we transition our business to operate in alignment with the interest of our new shareholder In addition, a sale of our business may have regulatory and tax consequences that cannot be currently ascertained. No assurance can be given that the objectives of our new shareholder will not conflict with our business goals and objectives or that any such conflict will not have an adverse effect on our financial condition and results of operations. In addition, a sale may cause a "Change of Control" as defined in the Indenture, which may require us to offer to repurchase all outstanding Zero Coupon Notes at 100.00% of the principal amount thereof. See "— We may not have the ability to raise the funds necessary to finance the change of control offer required by the Indenture."

The data communications service industry has had, and may continue to have, excess subsea cable capacity, which could cause prices to decline faster than the growth in demand.

The prices that we have been able to charge for capacity services and other related network services have been declining in many markets around the world in the last decade, and such prices may continue to decline in the future. In the late 1990s, several companies constructed a significant amount of cable capacity in anticipation of increased bandwidth demand from broadband services. However, adoption of broadband services was significantly slower than expected, resulting in an oversupply of capacity and rapidly declining data

transmission prices. In the early 2000s, the industry experienced sharp declines in price levels in the United States and Europe due to the significant expansion of worldwide network capacity resulting from additional network builds, resulting in the bankruptcy of numerous private operators. Further, in recent years, advances in technology, particularly in subsea cable optical technology, have enabled operators to upgrade capacity significantly with relatively low capital expenditure and have enabled suppliers to build new cable systems with substantially greater capacity than in the past. Accordingly, there is currently still a substantial amount of unused capacity in many global cable systems, including the GCX Global Network. If the prices for our capacity and related network services continue to decrease due to excessive supply in the industry, and we are unable to sell more data traffic or new services in sufficient volumes to outweigh the effect of such price declines, our financial condition and results of operations may be materially and adversely affected.

For the years ended March 31, 2018, 2017 and 2016, our revenue was US$369.2 million, US$406.6 million and US$439.8 million and our operating profit/loss for the year was US$29.9 million, US$(18.7) million and US$62.3 million. Although the US$(18.7) million operating loss for the fiscal year ended March 31, 2017 was due to an exceptional one-off impairment of goodwill of US$69.5million, excluding which our operating profit would have been US$50.7 million, there can be no assurance that in the future we will be able to generate revenues from operations sufficient to enable us to pay our indebtedness or to fund our other liquidity needs.

If the growth in demand for our products and services is lower than anticipated, or if the decrease in prices for such products and services is faster than expected, our results of operations and financial condition may be adversely affected.

Our financial performance and the quality and growth of our business are dependent in part on the growth of demand for our products and services. Growth in such demand depends on factors such as overall economic growth, the extent to which communications technologies become more widely accepted and affordable for local businesses and consumers, political stability, government policies and regulations affecting the telecommunications industry and economic activity. If the demand for our products and services does not grow as rapidly as anticipated, or if the decrease in prices for such products and services is faster than expected, we may not realize the returns we are seeking on our investments and our financial condition and results of operations may be materially and adversely affected.

We may not be able to offer new products and services in a timely or cost-effective manner, which would limit our ability to compete effectively.

The segments in which we operate our business are characterized by evolving industry standards, changing customer needs and preferences and the frequent introduction of new technologies, products and services. Our future success will depend on our ability to anticipate these advances and develop new service offerings to meet customer requirements in a timely and cost-effective manner. Delays or unexpected costs may depress margins temporarily or permanently. The success of our strategy to expand our service offerings depends on our ability to introduce such services in an efficient and timely manner, as well as customer acceptance and demand for such new services among other things. If we are unsuccessful in offering new products and services to meet our customers' needs or our new product and service offerings are not widely accepted by our customers, we may terminate those product and service offerings and may be required to write-off, in whole or in part, any assets or information technology used to develop or offer those services, all of which may materially and adversely affect our business and financial results.

Our current and planned operations in certain jurisdictions are subject to regulation and require us to obtain and maintain a number of governmental licenses and permits.

Currently the international telecommunications infrastructure industry is not a significantly regulated industry given that a significant portion of the assets for the infrastructure are in international waters, which are not regulated by any jurisdiction. However, our on-shore assets and related service revenue are subject to

regulation and the regulatory environment varies substantially from country to country and may restrict our ability to compete in some markets. For example, in jurisdictions where we desire to maintain or extend our network or offer new services in the future, we may be required to obtain landing licenses, operators' licenses and other permits. There can be no assurance that we will be able to obtain the authorizations that we need to implement our business plan, provide new services and meet our commercial objectives or that these authorizations, if obtained, will not subsequently be revoked or otherwise terminated. If regulatory requirements or license and permit requirements are enacted in jurisdictions in which we conduct our business, we may incur increased costs to comply with such requirements or may fail to comply with such requirements, which may materially and adversely affect our operations and plans for growth.

We may require additional capital and other resources in the future and may not be able to obtain these on favorable terms or at all, or fail to produce the returns that we expect.

We operate in a capital-intensive industry that requires substantial amounts of capital and other long-term expenditures. In the future, we may be presented with or may choose to explore opportunities to expand our asset base or make significant investments in additional network capacity, which may require financing and other resources. We may not be able to obtain financing on favorable terms or at all. If we are unable to obtain financing or other resources, we may not be able to undertake the expansion that may be beneficial or necessary for us to be successful. In addition, we may need to continue to expand and adapt the GCX Global Network in order to remain competitive, which may require additional funding. Generally, we finance such capital expenditure with pre-build commitments from our customers. In the absence of sufficient pre-build commitments from customers or if customers are unable to honor their pre-build commitments, we may need to borrow funds to finance future and the terms of such indebtedness may impose significant operating restrictions on us. If we are unable to expand or adapt the GCX Global Network to respond to market developments on a timely basis, at a commercially reasonable cost and on commercially reasonable terms, our financial condition and results of operations may be materially and adversely affected.

We are investing in the Eagle Subsea Network, a new cable system that will drive 120Tbps of capacity towards Hong Kong and 120Tbps towards Europe. The new network will be based on state-of-the-art 100G technology using next generation Coherent Submarine Fiber. The successful completion of such cable systems will depend, among other things, upon the timely performance of third-party contractors of their obligations. There can be no assurance that such project will be completed at the cost or in the time frame currently planned for, or at all.

Given the time required for the construction and implementation of complex infrastructure, investments are planned far in advance, typically several years before the corresponding network capacity comes into service. Our investment decision is based on assumptions as to growth in demand for bandwidth, pricing and other factors, which may turn out to be untrue. If growth in demand is slower or pricing is lower than anticipated at the time an investment is planned, our return on investment could be lower than we expected.

Technology upgrades required for increasing network capacity or providing new services may not be successful.

The industry in which we operate demands frequent and, at times, significant technology upgrades. We may not be successful in anticipating or responding to technological advances on a timely basis, or, even if we do respond, the products and services developed or the upgrades we made may not perform as successfully in the market as anticipated. To the extent that upgrades of existing technology are required for the introduction of new services, the success of these upgrades may depend on whether our vendors or their sub-contractors meet their obligations in a timely manner, which is beyond our control. In addition, our ability to respond to technological changes will depend on our ability to obtain additional financing, which we may not be able to obtain on favorable terms, or at all. If we are not able to successfully upgrade our technology for our services in a timely manner, our operating results and financial condition may be materially and adversely affected.

New technology may reduce demand for bandwidth, which may materially and adversely affect our financial condition and results of operations.

Many of our customers utilize the Internet for various purposes, which may evolve based on changes in technology and social adaptation to such new technology. For example, in recent years, the rise in popularity of certain Internet uses such as the proliferation of content through video, social networks, online gaming, music, file sharing, email and others, the roll-out of 4G and 5G in developed markets such as the United States, along with the use of multiple devices to access the Internet (such as mobile phones and tablets) has had a direct bearing on capacity usage of our customers. If new technology that requires less bandwidth gains popularity, we may experience reduction in demand for our capacity, and our operating results and revenue flow may be materially and adversely affected.

We could lose customers.

As of March 31, 2018 our customer base included approximately 350 customers. However, we could lose customers that represent a material portion of our revenue, which could adversely affect our financial condition and results of operations. Recent factors that have led to customer loss include consolidation among customers, insolvency or financial distress, regulatory factors such as sanctions laws that restrict trading with customers in certain countries, and socio-political risks that curtail business in certain countries or regions.

If customers' buying patterns change such that those who traditionally buy bandwidth capacity switch to leased capacity, our liquidity would be adversely affected.

Historically, we have provided capacity services, as well as associated operations and maintenance ("*O&M*") services, to customers under long-term indefeasible right of use ("*IRU*") contracts, which are typically for a term of 15 years. Customers pay a one-time fee to purchase our bandwidth capacity in the form of an IRU, along with an annual O&M fee, which typically is a percentage of the purchase fee. A downturn in the world economy and tightening of global credit markets and decreasing prices, among other factors, have historically caused customers to change their buying patterns away from IRUs towards International Private Leased Circuits ("*IPLCs*"), which are typically on an annual basis, in order to reduce initial cash payments. If customers were to substantially change their buying patterns from IRUs to annual leases, there can be no assurances that such arrangements would generate recurring revenues for as long a period as that of the IRUs, and our cash flows, liquidity and financial condition may be adversely affected on a short-term basis.

System failures may significantly disrupt the availability and quality of the services that the GCX Global Network provides.

The GCX Global Network is subject to the risks inherent in large-scale, complex subsea fiber-optic telecommunications systems (which we identify as being systems that provide seamless connectivity solutions across multiple data traffic routes, countries and continents) including design defects, equipment breakdowns, security breaches, computer viruses and physical damage to subsea cables and equipment. The GCX Global Network's operations depend on its ability to avoid and mitigate any interruptions in service or reduced capacity for customers. Unless properly resolved, interruptions in service or performance problems, due to physical damage to the subsea cable systems from natural disasters, power losses, fishing nets, anchors or other factors or other reasons, could undermine confidence in the GCX Global Network's services and cause us to lose customers or make it more difficult to attract new ones. Although the network structure used in the GCX Global Network's systems is intended to minimize service interruptions by rerouting traffic, rerouting may not always be possible or successful. Because many of our services are critical to the businesses of many of our customers, if a particular cable system becomes subject to serious disruption, there would eventually be a loss of confidence in such cable system.

In addition, any failure of our operations support systems could adversely affect our ability to process orders and bill for services efficiently and accurately, all of which could cause customer dissatisfaction and

adversely affect our ability to add customers on a timely basis. Although we disclaim liability for losses for interruptions in services in our service agreements (especially those caused by force majeure events), a court may not enforce a limitation on liability under certain circumstances, which could expose us to financial losses. If we fail to meet these, except for force majeure events, we may be obligated to provide our customers with credits, generally in the form of free service for a limited period of time and cash rebates, which could negatively affect our results of operations.

Certain critical elements of the GCX Global Network may need to be replaced and our actual maintenance costs may exceed our provisioning.

Critical elements of the GCX Global Network have design lives specified by the suppliers, and there is no assurance that we can continue to provide products and services using these critical elements once their design lives expire. In addition, there can be no assurance that the GCX Global Network's subsea cable systems and related elements of the network will survive for the full duration of their respective design lives. Moreover, the actual usable lives of the GCX Global Network's systems may differ from our estimates. Under IAS-16 of the International Financial Reporting Standards, we are required to review the useful life of the subsea cable assets on an annual basis. A number of factors generally affect the useful life of the GCX Global Network's systems, including among other things, quality of construction, unexpected deterioration, frequent cable cuts and technological or economic obsolescence. Failure of any of the GCX Global Network's systems to operate for its full design life could require us to invest additional capital, which we may not have provisioned for, to repair or upgrade its systems or may result in interruption to our services. Furthermore, we may at times be liable for the removal of obsolete cable sections in the territorial waters of the countries concerned, for which we make certain non-cash provisions for this cable retirement obligation. The actual capital expenditure required for fulfilling this obligation may exceed our provisioning, which may have an adverse effect on our cash flows.

If we fail to obtain and maintain access to existing metropolitan networks in key markets and expand our reach to new markets, including new cable landing stations, we may not be able to remain competitive or provide the solutions and services our customers seek.

If we fail to maintain access or expand existing metropolitan networks in key markets such as the United States, the United Kingdom, and emerging markets in Asia and expand our reach into new markets, we may not be able to retain our existing customers or attract new customers. In certain jurisdictions, we rely on third parties to procure metropolitan networks, including backhaul links between our cable landing stations and PoPs, for regulatory or other reasons. However, in the future, we may not be able to procure backhaul or other metropolitan networks on terms acceptable to us or at all. This could prevent us from obtaining and maintaining access to key markets on competitive terms, which could adversely affect our business, financial condition and results of operations.

We may not be able to obtain additional capacity for our network from other service providers.

We use network resources owned by other companies for portions of the GCX Global Network by leasing and operating a variety of sources of network connectivity, including backhaul networks, international backbone networks, domestic networks and local access networks, to provide service coverage beyond the reach of our networks. As of March 31, 2018, we had purchased approximately 2,300 Gbps of capacity on third party subsea cable systems which represented 16% of the GCX Global Network's total Lit capacity and 2.6% of the GCX Global Network's total Design Capacity. We also enter into inter-connection arrangements for internet peering. We obtain the rights to use such network portions through IRUs, operating leases and other sharing arrangements. If we are unable to enter into or renew our existing agreements with such providers, either on commercially acceptable terms or in a timely manner or at all, we may not be able to provide our services to our customers in a timely manner or at all, and our operations may be disrupted.

Also, in several of our inter-connection agreements, the counter-party is responsible for network maintenance and repair. If a counter-party to a lease or IRU suffers financial distress or bankruptcy, we may not

be able to enforce our rights to use these network assets or, even if we could continue to use these network assets, we could incur material expenses related to maintenance. We could also incur material expenses if we were forced to locate alternative network assets and we may not be successful in obtaining adequate alternative network assets in such circumstances. Failure to locate or obtain usage of alternative network assets, when necessary, may affect our ability to provide our services to our customers, which could have a material adverse effect on our business, financial condition and results of operations.

A significant portion of our revenues reflect the recognition of deferred revenues associated with past sales of capacity, and thus we could experience a shortage of operating cash flow during periods of revenue growth.

Historically, we have financed a significant portion of our expansions through the sale of long-term IRUs to customers. In line with our current accounting policy, when we sell IRUs, we record deferred revenues in our balance sheet and cash flow statement at the time of sale, but recognize the related revenues in our statement of income over the period to which the IRUs relate. In general, we receive cash payment from our customers at the time the IRU is sold or during a short period thereafter. As a result, a significant portion of our revenues is recorded in the Consolidated Statement of Comprehensive Income long after we receive the related cash payments, and those revenues do not contribute to our cash flow from operations. In the financial year ended March 31, 2018 and the financial year ended March 31, 2017, we recorded US$51.6 million and US$31.2 million, respectively, of net cash generated from operating activities. In circumstances where there is a gap between operating cash flow and cash commitments, we may utilize our working capital facilities to temporarily bridge the gap, but we could experience a shortage of operating cash flow during periods of revenue growth.

We may be unable to comply with the conditions for various tax exemptions or the tax rulings obtained, and we may not be able to fully benefit from tax exemptions or use deferred income tax assets.

Our revenue is largely recognized in Bermuda where no income, profits or capital gains tax is levied. The government of Bermuda has issued an undertaking dated March 21, 2014 that in the event that any legislation is enacted in Bermuda imposing income or profits tax or tax on any capital asset, gain or appreciation, such tax shall not apply to us or to any of our operations until March 31, 2035 (the "**Tax Holiday**").

If we are unable to comply with the conditions required for tax exemptions or favorable tax rulings, or if the tax exemptions or the Tax Holiday no longer apply, or if we are unable to use deferred income tax assets or other off-setting allowances in certain jurisdictions, our effective tax rate may increase.

We may be exposed to liability to third parties in connection with the operations of the GCX Global Network.

While we take significant precautions to minimize the risk of injury or accidents, unforeseen events may result in third party liability for us. For example, infrastructure for the GCX Global Network's subsea and metropolitan telecommunications business is located near coastal or residential areas, and local fishermen or other local operators may allege disruption to livelihood or health due to the GCX Global Network's infrastructure or operations. Furthermore, we rely on third parties or agents to collect payments owed to us, and we may be subject to liability for the actions of these agents. In the event that a claim is made against us, we may choose to settle the case or to litigate, either of which may materially and adversely affect our reputation, business or results of operations.

We may be liable for the information that content owners or distributors distribute over the GCX Global Network.

The law relating to the liability of private network operators for information carried on or disseminated through their networks remains unsettled. While we disclaim any liability for third party content and have our customers indemnify us for such potential liability in our service agreements, we may become subject to legal

claims relating to third party content disseminated on our network. For example, lawsuits may be brought against us claiming that material distributed using the GCX Global Network was inaccurate or offensive, or violated the law or the rights of others. Claims could involve matters such as defamation, invasion of privacy and copyright infringement. In addition, the law remains unclear over whether content may be distributed from one jurisdiction where the content is legal into another jurisdiction where it is not. Companies operating private networks have been sued in the past, sometimes successfully, based on the nature of material distributed, even if the content is not owned by the network operator and the network operator has no knowledge of the content or of its legality or illegality. If we are required to defend ourselves against such claims, regardless of the provisions in our service agreements, we may need to incur significant legal fees to defend ourselves against such claims and may be liable for monetary or other compensation to such counter-parties.

We depend on our ability to retain highly qualified senior management and to hire, train and retain qualified employees.

We believe that our ability to implement our business strategy and our future success depend on the continued service of our senior management team. Our management team has extensive experience in the telecommunications industry, particularly in the regions where we are seeking a large portion of our future growth, and has been integral to the evolution of our business strategy. The loss of any key members of our management team or other key personnel may materially and adversely affect our business.

Also, our future success depends on our ability to attract, hire, train and retain appropriately qualified personnel, such as technical and product development professionals. Competition for employees with these skills is intense, and we could experience difficulty in hiring and retaining the personnel necessary to support our business. Any inability to hire, train and retain a sufficient number of qualified employees could adversely affect our operations.

We depend on third parties for certain support services and to provide critical "last mile" connection to some of our customers, and such third parties may fail to perform their contractual obligations.

We are and will continue to be dependent upon third parties to: (a) provide access to certain points of our systems in various jurisdictions; (b) construct and operate landing stations in certain jurisdictions; (c) construct, operate, maintain, upgrade, repair and replace our systems pursuant to contractual arrangements; (d) provide backhaul and other network service through contractual arrangements with such parties; and (e) provide business support services such as marketing. We regularly have to rely on established telecommunications companies, some of which are our competitors or competitors of RCOM, to market our services to customers such as ISPs and enterprises, and to provide the "last mile" connection to those customers' networks. Some of those parties may have services that compete with our services, or may develop such services in the future, and if our customers choose to use their services instead of our services, the sales of our services may decline. For instance, we have entered into agreements with RCOM and its subsidiaries for OSSA, O&M, Development Agreement for the new IDC-5 and with respect to the term sheet for data center.

In addition, our local parties have no obligation to continue their relationships with us beyond the expiry of any contractual periods, and could in the future choose to establish relationships with our competitors. Even if they choose to continue their relationships with us, they may seek to negotiate financial and other terms that are less favorable than those currently in place with us. In many cases, we may be unable to provide our services in the absence of these relationships as we may lack the necessary local infrastructure, regulatory permits and local marketing personnel. There can be no assurance that the third parties providing the services described above will perform their contractual obligations to our satisfaction, or at all, or that there will not be any political or economic events in relation to such parties which may prevent them from providing services to us, which in turn could have a material adverse effect on our business and results of operations.

Intellectual property and proprietary rights of others could prevent us from using necessary technology.

While we do not believe that there exists any patented technology or other intellectual property owned by third parties that is necessary for us to provide our services, for which we do not have a license to use, we may receive claims from third parties in this regard and there can be no assurance as to our ability to defend against any such claims successfully. If such intellectual property is owned by third parties and not licensed by us, then we would have to negotiate a license for the use of that property. We may not be able to negotiate such a license at a price that is acceptable or at all. This could force us to cease offering services incorporating such property, which could materially and adversely affect our operating results.

If we fail to maintain co-operative relationships with landing parties, the GCX Global Network's operations may be impaired.

The GCX Global Network utilizes a number of different landing parties to provide access to the origination and termination points necessary for its continued operations and any future upgrades, such as cable landing stations, at various locations on the GCX Global Network. Currently, we have approximately 100 landing stations and transmission PoPs in 31 countries worldwide. Our ability to offer end-to-end services and new services is dependent on the landing parties' willingness and ability to provide cost-effective metropolitan services, to provide access to cable landing stations to agree to connect other terrestrial networks to the GCX Global Network and to provide us with access to their facilities for the purpose of upgrading the GCX Global Network.

Despite their contractual obligations and other commitments, there can be no assurance that the landing parties will perform their contractual obligations or that there will not be political, economic or other events or changes in relation to the landing parties that have material adverse effects on the contractual arrangements or commercial relationships between the landing parties and us. For example, we have experienced difficulties in the past with upgrading our cable capacity due to non-cooperation of certain landing parties. While one such dispute has been resolved through arbitration, there can be no assurance that a similar dispute will not arise in the future. We may also not be able to obtain or retain the consent of the landing parties to make proposed future modifications of our landing facilities that may be advantageous to us or necessary to operate or enhance the GCX Global Network. Any failure to receive cooperation from landing parties may have a material adverse effect on our financial condition and results of operations.

We may pursue acquisitions to expand our asset base, network coverage or our business and may not be able to integrate our acquisitions into our existing operations or realize the financial and growth benefits expected from our acquisitions.

We may pursue acquisitions to expand our asset base or our business. Significant resources are required to integrate acquisitions with existing businesses so that the consolidated business operates as efficiently as possible and so that we may realize the financial and growth benefits expected from our acquisitions. In addition, the integration process could cause interruption to our activities or the business of the acquired entity, including customer service, which could have an adverse effect on us. The management of the integration of the businesses, systems and culture of acquired businesses requires the continued development of financial and management controls, including the integration of information systems and structure, the integration of product offerings and customer base, the retention of current personnel and the training of new personnel, all of which may disrupt our operation, place a strain on our management resources and require significant expenditures. Further, any significant diversion of management's attention may have a material adverse effect on our financial condition and results of operations.

Terrorist attacks and other acts of violence or war may adversely affect the financial markets and our business and operations.

The United States, the United Kingdom, India and several other countries in which we operate have experienced terrorist attacks in the recent past. Our physical facilities or network control systems could be the target of such attacks or such attacks could affect other telecommunications companies, infrastructure or the

Internet in a manner that disrupts our operations or adversely impact our ability to repair our subsea cable systems. Terrorist attacks or threats of attack also could lead to volatility or illiquidity in world financial markets and could cause consumer confidence and spending to decrease or otherwise adversely affect the economy. These events could adversely affect our revenue stream and expansion plans and our ability to obtain financing on favorable terms. In addition, it is becoming increasingly expensive to obtain adequate insurance for losses incurred as a result of terrorist attacks, and in some cases, such insurance may not be available. Uninsured losses as a result of terrorist attacks could have a material adverse effect on our business, results of operations and financial condition.

We are exposed to information technology and cyber security risks.

Our businesses and operations rely heavily on information technology and thus we are exposed to risks of cyber security threats, data privacy breaches as well as other network security risks. The scale and level of sophistication of cyber security threats have especially increased in recent times. We are exposed to the risks of cyber-attacks that can cause disruptions to the network and services provided to customers, and cyber thefts of sensitive and/or confidential information, which may result in litigation by customers, an adverse impact on our reputation and/or regulatory fines and penalties. There can be no assurance that our policies and frameworks are sufficient to protect our business or that our business, financial condition and results of operations would not be adversely affected by such cyber security threats, data privacy breaches as well as other network security risks.

The telecommunications industry is competitive.

The telecommunications industry is competitive and our success will depend on our ability to compete against a variety of other telecommunications companies, including locally based operators and global operators. The GCX Global Network faces competition from existing, newly developed, planned and consortium cable systems along certain of its existing and planned network routes, as well as from satellite companies. Furthermore, many of our customers are in the telecommunications industry themselves and may have their own cable networks or access to competing cable networks through which they may choose to route their traffic due to pricing, latency or diversity considerations. While these customers have in the past used the services of both the Issuer and other cable companies, it is possible that some or all of these customers will in the future develop cable networks, either on their own or through consortiums.

We compete primarily based on price, geographical reach, network performance, network reliability and service quality. Some of our existing and potential competitors may possess significant competitive advantages, including greater market presence, brand recognition and financial, technological and personnel resources, superior engineering and marketing capabilities and significantly larger installed customer bases. Even though we believe that the GCX Global Network's low latency, extensive reach and superior technology design of our subsea cable systems enable us to charge competitive prices for our services, some of our competitors have strong brand name recognition, which may require us to price our services at lower levels in order to attract customers. Our competitors may be able to raise capital at a lower cost than us, adapt more swiftly to new or emerging technologies and changes in customer requirements, more readily take advantage of acquisition and other opportunities (including regulatory changes), and devote greater resources to the development, marketing and sale of services than us. We may also face greater competitive disadvantages, in light of the increasing trend towards industry consolidation. If we are unable to compete successfully, our business, financial condition and results of operations may be adversely affected.

We are exposed to interest rate risk.

We have cash balances placed with reputable banks and financial institutions. We have incurred indebtedness to finance our operations. However, our hedging policy may not adequately cover our total exposure to interest rate fluctuations and this may result in a large interest expense and an adverse effect on our financial condition and results of operations.

We are exposed to counter-party risk.

We may enter into various transactions which expose us to risks relating to the credit of our counter-parties and their ability to satisfy the terms of such contracts. For example, we may enter into swap arrangements, including multi-year swap arrangements, which expose us to the risk that our counter-party may default on its obligations to perform under the relevant contract. We also may invest in interest-bearing deposits with financial institutions. In the event a counter-party, including a financial institution, is declared bankrupt or becomes insolvent, this may result in delays in obtaining funds or we may have to liquidate the position, potentially leading to losses.

We are majority owned by a single shareholder.

As of the date hereof, RCOM indirectly held 100% of the share capital of the Issuer. RCOM is, therefore, able to exercise control over most matters requiring shareholders' approval, including the election of directors and approval of significant corporate transactions. No assurance can be given that RCOM's objectives will not conflict with our business goals and objectives or that any such conflict will not have an adverse effect on our financial condition and results of operations. There can be no assurance that RCOM will remain the majority shareholder of the Issuer or that there will not be a change of ownership of the Issuer or the entry of another major shareholder with the ability to exert significant influence on the direction or operations of the Issuer, or that our business, financial condition and results of operations would not be adversely affected by such a change in ownership or influence.

We have substantial international operations, including in developing markets, and face political, legal, tax, regulatory and other risks from our operations in multiple jurisdictions.

We derive a substantial portion of our revenue from international operations and have substantial physical assets in several jurisdictions along our routes, including in the developing markets of Asia, principally India, the Middle East and countries in the Asia-Pacific. In addition, we may contemplate future expansion of our exposure to those and other regions. The risks of operating in some of these areas include:

- uncertain and rapidly changing political, regulatory and economic conditions, including the possibility of civil unrest, vandalism affecting cable assets, terrorism, armed conflict or the seizure or nationalizing of private property;
- unexpected changes in regulatory environments and trade barriers;
- difficulties in enforcing agreements and collecting receivables through certain foreign legal systems;
- fluctuations in currency exchange rates;
- exposure to new or different accounting, legal, tax and regulatory standards;
- burdensome tax, customs, duties or regulatory assessments based on new or differing interpretations of law or regulations; and
- difficulties in staffing and managing operations consistently across several operating areas.

In addition, managing operations in multiple jurisdictions may place further strain on our ability to manage growth, which may materially and adversely affect our business and results of operations.

Uncertainty in the global financial markets and the global economy may negatively affect our financial results.

Starting in 2010 a financial crisis emerged in Europe, triggered by high budget deficits and rising direct and contingent sovereign debt in Greece, Ireland, Italy, Portugal and Spain, which created concerns about the ability of these European nations to continue to service their sovereign debt obligations. Although Europe and most of the developed economies are showing signs of recovery, the outlook for the world economy and financial markets remains uncertain. A significant risk remains that the aggressive measures taken by governments and central banks measures may not prevent the global economy from falling back into an even deeper and longer lasting recession or even a depression, including as a result of turmoil in the sovereign debt markets.

In addition, macro-economic uncertainties such as the withdrawal of the United Kingdom from the European Union and the rapidly escalating trade dispute between the United States and its trading partners are expected to ripple through global supply chains, raise costs for businesses and consumers and shake global stock markets, which have been volatile in anticipation of a prolonged trade war.

While it is difficult to predict how long these conditions will exist and which markets and businesses may be affected, these developments could continue to present risks for an extended period of time for us, including a potential slowdown in our sales to customers in the financial sector. In addition, our customers may defer or forego purchases of our services in response to tighter credit and negative financial news or reduce their demand for our services. Our customers also may not be able to obtain adequate access to credit, which could affect their ability to make timely payments to us or ultimately cause the customer to file for protection from creditors under applicable insolvency or bankruptcy laws. If our customers are not able to make timely payments to us, our accounts receivable could increase. In addition, our financial condition and results of operations could be adversely affected if, as a result of economic conditions, key suppliers upon which we rely are unwilling or unable to provide us with the materials we need for our network on a timely basis or on terms that we find acceptable. Any disruptions in the financial markets could also affect our ability to obtain debt or equity financing or to refinance our existing indebtedness on favorable terms or at all, which could affect our strategic operations and our financial performance and force modifications to our operations.

We may be exposed to currency exchange rate risks as a result of our operations in multiple geographic areas.

We are exposed to foreign exchange risk as a result of the significant number of geographies in which we operate our business, primarily with respect to the euro, Taiwan dollar, British pound and Indian rupee. Exposure to local currency is primarily on account of employee-related and selling, general and administrative costs. We manage our foreign currency risk by mostly transacting in U.S. dollars. Most of our capacity sale and purchase contracts and service revenue are denominated in U.S. dollars, as are our long-term operating contracts, including those relating to marine maintenance and landing station charges. We do not enter into any hedging transactions to further minimize our currency exchange risks. While we believe that the factors have enabled us to manage our foreign currency exchange rate risk exposure, there can be no guarantee that fluctuations in currency exchange rates may not adversely affect financial results in the future.

In addition, our customers who derive their revenue in foreign currencies but are invoiced by us in U.S. dollars may be subject to unpredictable increases in their obligations in the event that such currencies depreciate in value relative to the U.S. dollar. As a result, the ability of these customers to pay us or the demand of these customers for our services may be adversely affected. Furthermore, such customers may become subject to exchange control regulations restricting the conversion of their revenue currencies into U.S. dollars. In either event, the affected customers may not be able to pay us in U.S. dollars. Accordingly, declines in the value of foreign currencies relative to the U.S. dollar could adversely affect the ability to sell our services to customers whose revenues are denominated in those currencies.

Termination of relationships with key suppliers or a limited selection of suppliers in the market could cause delays and additional costs.

Our business is dependent on a number of third party suppliers for fiber, computers, software, cable ships, services, optronics, transmission electronics and related components as well as providers of network co-location facilities that are integrated into the GCX Global Network. Many of the products that we purchase from such third party suppliers for use in our cable systems may be discontinued as technology advances or the suppliers consolidate or go out of business, which may require us to incur additional costs to upgrade our systems to utilize new or available technology as the old technology fails or requires replacing. There can be no assurance that we will be able to source spare parts and technological alternatives to extend the life of our cable systems or repair existing systems in the future in a timely or cost-efficient manner or at all. If any of our relationships with suppliers is terminated or a supplier fails to provide critical services or equipment and we are unable to find suitable alternative arrangements quickly, we may experience additional costs, engineering challenges and temporary service interruptions, which may have a material adverse effect on our business, financial condition and results of operations.

Our costs may be impacted by global commodity prices and demand for network equipment.

We use marine maintenance contractors whose prices are impacted by oil prices to develop, expand and maintain our networks. Although we enter into fixed price contracts with the marine maintenance contractors, the fixed price element does not apply to items such as fuel, and it is likely that the contractors will pass on any increases in fuel costs to us during the validity of the contract. The volatility of global commodity prices, especially oil prices, may also adversely affect the cost of transportation and the purchase price of equipment for our network development, expansion and maintenance, and we may not be able to pass on these increased costs to our customers because of increased competition. Continued increases and volatility in global commodity and equipment prices could adversely affect our capital expenditure and operational costs.

We currently have contracts with landing parties in Sudan and Iran.

We currently pay O&M charges in relation to the FALCON landing station in Sudan and two landing stations in Iran and receive revenues from IRUs and O&M charges from parties in these two countries. The revenue from Canar Telecommunications, our landing party in Sudan, was US$3.95 million, US$3.73 million and US$4.12 million in the financial years 2018, 2017, and 2016, respectively, which represented 1.1%, 0.9% and 1.0% of our total service revenue in the financial years 2018, 2017 and 2016, respectively. The revenue from Telecommunication Infrastructure Company, our landing party in Iran, was US$3.96 million, US$4.51 million and US$5.6 million in the financial years 2018, 2017, and 2016, respectively, which represented 1.1%, 1.1% and 1.3% of our total service revenue in the financial years 2018, 2017, and 2016, respectively. We use these landing stations to enable our customers to connect to service networks in Sudan and Iran.

The United States currently imposes economic sanctions, which are administered by the U.S. Treasury Department's Office of Foreign Assets Control and which apply to U.S. persons, with the objective of denying certain countries, including Iran and Sudan, the ability to support international terrorism. Additionally, the United States and the United Nations Security Council have imposed sanctions designed to deter Iran from pursuing weapons of mass destruction and missile programs. While we do not believe that these sanctions are applicable to any of our activities in these countries, we cannot predict whether future sanctions may become applicable to our activities, and whether any such sanctions would affect our ability to continue our existing business operations relating to the United States. Furthermore, if we generate material service revenue from Sudan and Iran in the future, holders who may become subject to sanctions laws relating to these two countries may elect or be required to sell their Zero Coupon Notes and some investors may forgo the purchase of the Zero Coupon Notes, all of which could materially and adversely affect the value of the Zero Coupon Notes.

We are exposed to risks relating to violations of anti-corruption laws, sanctions, or other similar regulations.

We operate and conduct business in various jurisdiction, which, as with many countries in emerging markets, at times experience high levels of fraud, bribery and corruption. We have policies and procedures

designed to assist in compliance with applicable laws and regulations including the U.S. Foreign Corrupt Practices Act of 1977 (the "*FCPA*") and the United Kingdom Bribery Act of 2010 (the "*United Kingdom Bribery Act*"). The FCPA prohibits providing, offering, promising, or authorizing, directly or indirectly, anything of value to government officials, political parties or political candidates for the purposes of obtaining or retaining business or securing any improper business advantage. As part of our business, we deal with state-owned business enterprises, the employees of which may be considered government officials for purposes of the FCPA. The provisions of the United Kingdom Bribery Act extends beyond bribery of government officials and is more onerous than the FCPA in a number of other respects, including jurisdiction, the non-exemption of facilitation payments and penalties. In particular, the United Kingdom Bribery Act (unlike the FCPA) does not require a corrupt or improper intent to be established in relation to the bribery of a public official and also applies to the active payment of bribes as well as the passive receiving of bribes. Furthermore, unlike the vicarious liability regime under the FCPA, whereby corporate entities can be liable for the acts of its employees, the United Kingdom Bribery Act introduced a new corporate offence directly applicable to corporate entities that fail to prevent bribery and did not establish and adopt adequate procedures to prevent bribery from occurring and, in certain circumstances, can render parties liable for the acts of their joint ventures or commercial partners.

We are exposed to a risk of violating anti-corruption laws and sanctions regulations applicable in those countries where we do business. Some of the countries in which we do business lack a fully developed legal system and have high levels of corruption. Violations of anti-corruption laws and sanctions regulations may be punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures and revocations or restrictions of licenses, as well as criminal fines and imprisonment. In addition, any major violations could have a significant impact on our reputation and consequently on our ability to grow our business.

Policies have been developed to train our employees to comply with such laws and regulations. However, no assurance can be made that our policies and procedures will be followed at all times or effectively detect and prevent all violations of the applicable laws and every instance of fraud, bribery and corruption. Furthermore, no assurances can be made that whistle-blower claims will not be made in the future, or that we will be able to adequately address their concerns. As a result, we could be subject to potential civil or criminal penalties under the relevant applicable law and to reputational damage which may have adverse consequences on our business, prospects, financial condition or results of operations if we fail to prevent any such violations or are the subject of investigations into potential violations. In addition, such violations could also negatively affect our reputation and, consequently, our ability to win future business. On the other hand, any such violation by our competitors, if undetected, could give them an unfair advantage when bidding for contracts. The consequences that we may suffer due to the foregoing could have a material adverse effect on our business, financial condition and results of operations.

We may be exposed to various types of taxes in the countries in which we operate, and applicable tax rules and rates may be subject to change.

The revenue and gains we derive, directly or indirectly, from our operations may be subject to various types of taxes in the countries in which we operate, which currently include Singapore, the United Kingdom, France, South Korea, Taiwan, Egypt, UAE, Ireland, India, China, Australia, Germany, Hong Kong, the Netherlands, Japan, the United States, Italy, and Spain. While we intend to manage the taxation in each of these countries efficiently, there can be no assurance that the desired tax outcome will necessarily be achieved or that the relevant tax authorities will agree with our determinations. In addition, the amount of taxation in each of these countries is subject to changes in laws and regulations and such changes, if any, may lead to an increase in tax rates or the introduction of new taxes. There has also been increased scrutiny of intercompany transfer pricing methods and assumptions and tax efficient structures by tax authorities in various jurisdictions. All these factors may have an adverse effect on our results of operations.

We do not insure our subsea and terrestrial fiber-optic cables that make up the GCX Global Network.

We purchase insurance coverage in relation to our properties, assets and projects in accordance with industry practices. Certain assets like the GCX Global Network's fiber-optic cable and some types of losses, such as losses resulting from wars, acts of terrorism or natural disasters, generally are not insured because they are either uninsurable or it is not economically practical to obtain insurance. There can be no assurance that we will be able to obtain appropriate insurance on acceptable terms, if at all. Failure to obtain insurance could reduce our ability to obtain bank loans and other financing for future construction projects and other commercial activities and may cause us to incur significant financial loss upon the occurrence of a major uninsurable event. Our inability to obtain or renew insurance coverage at a reasonable cost, or at all, may cause our operating costs to increase significantly and may have an adverse effect on our financial condition and results of operations.

We are exposed to legal proceedings and contingent liabilities that could result in material losses that we have not reserved against.

We are a party to various legal proceedings and disputes as described in "Our Business — Regulatory, Environmental and Legal Matters — Legal and Administrative Proceedings" and are subject to certain important proceedings described more fully in our 2018 audited consolidated financial statement included elsewhere in this Offering Circular. If one or more of these legal proceedings or contingent liabilities were to be resolved in a manner adverse to us, we could suffer losses that are material to our business, financial condition and results of operations. While we have established reserves for certain of these contingent liabilities, they may not be sufficient. Certain of these contingent liabilities could have a material adverse effect on our business, financial condition and results of operations in addition to the effect of any potential monetary judgment or sanction against us. Furthermore, any legal proceedings, regardless of the outcome, could result in substantial costs and diversion of resources and could have a material adverse effect on our business, financial condition and results of operations.

The covenants in our debt instruments limit our financial and operational flexibility.

Upon the consummation of this offering, we and many of our subsidiaries will have material indebtedness outstanding under the following debt instruments (collectively, the "**Principal Debt Instruments**"):

- the Zero Coupon Notes offered hereby; and
- the GCX Secured Notes.

The Principal Debt Instruments generally contain covenants and events of default that are customary for high yield debt, including limitations on:

- incurring or guaranteeing additional indebtedness and issuing preferred stock;
- declaring dividend and other payments to holders of equity and subordinated debt;
- making investments or other restricted payments;
- issuing or selling capital stock of certain subsidiaries;
- effecting asset sales, consolidations, and mergers;
- creating or assuming liens; and
- entering into sale and leaseback transactions or transactions with affiliates.

In addition, we are also required to satisfy various financial covenants based on specified ratios, including but not limited to a leverage ratio and an interest coverage ratio. These restrictions and covenants could limit our ability to plan for or react to market conditions or to meet our capital needs. Our ability to comply with these covenants may be affected by events beyond our control, and we may have to curtail some of our operations and growth plans to maintain compliance. In addition, a failure to comply with the restrictions or covenants contained in certain of our Principal Debt Instruments could result in an event of default, which, if not cured or waived, could result in an acceleration of all such debts, which would have a material adverse effect on our business, financial condition and results of operations. If the indebtedness under any of our Principal Debt Instruments were to be accelerated, we would have to raise funds from alternative sources, which may not be available on favorable terms, on a timely basis or at all.

Risks Relating to this Offering and the Zero Coupon Notes

If we are unable to comply with the restrictions and covenants in our debt agreements or the Indenture governing the Zero Coupon Notes, there could be a default under the terms of these agreements or the Indenture governing the Zero Coupon Notes, which could cause repayment of our debt to be accelerated.

If we are unable to comply with the restrictions and covenants in the Indenture governing the Zero Coupon Notes, or our current or future debt and other agreements, there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to us, accelerate the debt and declare all amounts borrowed due and payable or terminate the agreements, as the case may be.

Furthermore, some of our debt agreements contain cross-acceleration or cross-default provisions. As a result, our default under one debt agreement may cause the acceleration of debt under our other debt agreements, including the Indenture governing the Zero Coupon Notes. If any of these events occur, we cannot assure you that our assets and cash flow would be sufficient to repay in full all of our indebtedness, or that we would be able to find alternative financing. Even if we could obtain alternative financing, we cannot assure you that it would be on terms that are favorable or acceptable to us.

We may not have access to the cash flow and other assets of our subsidiaries that may be needed to make payment on the Zero Coupon Notes.

The Issuer is holding company that conducts no business operations of its own and has no significant assets other than the equity interests it holds in GCX. The Issuer is dependent upon the cash flow from its operating subsidiaries available to it to meet its obligations, including under the Zero Coupon Notes. The amounts of such payments available to the Issuer will depend on the profitability and cash flows of its subsidiaries as well as the ability of GCX to upstream monies to the Issuer without triggering the restricted payments covenant of the GCX Secured Notes.

We cannot assure you that the agreements governing the current and future indebtedness of our subsidiaries will permit our subsidiaries to provide us with sufficient dividends, distributions or loans to fund payments on the Zero Coupon Notes when due. Additionally, legal constraints, such as restrictions relating to foreign exchange controls or transfer approvals, a lack of retained earnings or the solvency of our subsidiaries may also limit the amounts our subsidiaries can distribute to us. If distributions from our subsidiaries to us were eliminated, delayed, reduced or otherwise impaired, our ability to make payments on the Zero Coupon Notes would be substantially impaired.

We may not have the ability to raise the funds necessary to finance the change of control offer required by the Indenture.

Upon the occurrence of a "Change of Control Triggering Event" as defined in the Indenture that governs the Zero Coupon Notes, we will be required to offer to repurchase all outstanding Zero Coupon Notes at

100.00% of the principal amount thereof. However, it is possible that we will not have sufficient funds at the time of the change of control to make the required repurchase of Zero Coupon Notes or of our other indebtedness that is subject to such change of control triggers.

Holders of the Zero Coupon Notes will not be entitled to require us to purchase their Zero Coupon Notes in the event of a merger, takeover, recapitalization, leveraged buyout or similar transaction that is structured in a manner that does not constitute a Change of Control Triggering Event.

Your investment in the Zero Coupon Notes may subject you to foreign exchange risks.

The Zero Coupon Notes are denominated and payable in U.S. dollars. If you measure your investment returns by reference to a currency other than U.S. dollars, an investment in the Zero Coupon Notes entails foreign exchange related risks, including possible significant changes in the value of the U.S. dollars relative to the currency by reference to which you measure your investment returns, due to, among others, economic, political and other factors over which we have no control. Depreciation of the U.S. dollar against the currency by reference to which you measure your investment returns could cause a decrease in the effective yield of the Zero Coupon Notes below their stated coupon rates and could result in a loss to you when the return on the Zero Coupon Notes is translated into the currency by reference to which you measure your investment returns. In addition, there may be tax consequences to you as a result of any foreign exchange gains resulting from any investment in the Zero Coupon Notes.

The Zero Coupon Notes are subject to transfer restrictions.

The Zero Coupon Notes have not been and will not be registered under the Securities Act, the securities laws of any state of the United States or the securities laws of any other jurisdiction. Accordingly, the Zero Coupon Notes may not be reoffered, resold, pledged, exchanged or otherwise transferred except in transactions exempt from or not subject to the registration requirements of the Securities Act and any other applicable securities laws. The Zero Coupon Notes can only be sold, pledged, exchanged or otherwise transferred to an Eligible Holder.

As a result of the foregoing restrictions, we cannot assure you as to the existence or development of any secondary market for the Zero Coupon Notes or the liquidity of such market if one develops. Consequently, investors in the Zero Coupon Notes must be able to bear the economic risk of an investment in such Zero Coupon Notes for an indefinite period of time until maturity.

There may be difficulties in enforcing United States judgments against us and our management.

We are incorporated with limited liability under the laws of Bermuda. All of our directors and officers reside outside the United States and all or a substantial portion of their assets and substantially all of our assets are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or such persons or to enforce against any of them, in the United States, judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws or other laws of the United States, or any state or territory within the United States.

Certain facts and statistics are derived from publications not independently verified by us or our advisors.

Facts and statistics in this Offering Circular relating to the subsea cable industries are derived from publicly available sources. While we have taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, they have not been independently verified by us or our advisors and, therefore, we make no representation as to the accuracy of such facts and statistics, which may not be consistent with other information compiled that is publicly available. Due to possibly flawed or ineffective calculation and collection methods and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other industries and should not be unduly relied upon.

Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as other publicly available materials.

As the Issuer is not a listed company, there may be limited public information relating to it. Accordingly, it may be difficult for investors to evaluate the merits of an investment in the Zero Coupon Notes and to monitor the operations of the Issuer during the term of the Zero Coupon Notes.

Holders of the Zero Coupon Notes may have difficulty enforcing their rights across multiple jurisdictions.

The Issuer and its subsidiaries are incorporated in various jurisdictions. In the event that the Issuer or any of its subsidiaries experiences financial difficulty, it is not possible to predict with certainty the jurisdiction or jurisdictions in which insolvency or similar proceedings would be commenced or the outcome of such proceedings.

If a bankruptcy, insolvency or similar event occurs, there could be proceedings involving us or our subsidiaries in Bermuda, Australia, France, Germany, Ireland, the United Kingdom and the United States or elsewhere and it is possible that we could be made a part of these proceedings. Multi-jurisdictional proceedings are likely to be complex and costly for creditors and otherwise may result in greater uncertainty and delay regarding the enforcement of the rights of the holders of the Zero Coupon Notes. The rights of the holders of the Zero Coupon Notes under the Zero Coupon Notes could be subject to the insolvency and administrative laws of several jurisdictions, and therefore we cannot assure holders of the Zero Coupon Notes that they will be able to effectively enforce their rights in such complex multiple bankruptcy, insolvency or similar proceedings.

In addition, the bankruptcy, insolvency, administrative and other laws of these various jurisdictions may be materially different from, or be in conflict with, one another and those with which holders of the Zero Coupon Notes may be familiar, including in the areas of the rights of creditors, the priority of governmental and other creditors, the ability to obtain post-petition interest and the duration of the proceedings. These laws may also not be as favorable to the interests of the holders of the Zero Coupon Notes as the laws with which they may be familiar. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's laws should apply and could adversely affect the ability of the holders of the Zero Coupon Notes to enforce their rights under the Zero Coupon Notes in the relevant jurisdictions or limit any amounts that they may receive.

Holders are responsible to consult advisers.

Each holder is solely responsible for making its own independent appraisal of all matters as such holder deems appropriate (including those relating to the Extraordinary Resolutions, the Tender and Exchange Offer) and each holder must make its own decision as to whether to vote in favor of the Extraordinary Resolutions or whether to participate in the exchange or the tender offer.

None of the Issuer, RCOM, the Trustee or the Exchange Agent (or their respective directors, employees or affiliates) makes any recommendation to any holder as to whether the holder should vote in favor of any of the Extraordinary Resolutions pursuant to the Extraordinary Resolutions or whether they should participate in the Tender and Exchange Offer, and none of them has authorized any person to make any such recommendation.

Risks Relating to the Tender and Exchange Offer

There are material differences between the Existing Notes and the Zero Coupon Notes.

There are material differences between the Existing Notes Conditions and the terms and conditions of the Zero Coupon Notes. Holders are advised to refer to the "Summary of Key Differences between the Existing

Notes and the Zero Coupon Notes" set out in the Tender and Exchange Offer Memorandum for a summary of these key differences. See also the "Description of the Zero Coupon Notes".

If the Conditions Precedent are met, all of the Existing Notes may be redeemed.

If the Extraordinary Resolutions are passed and the Conditions Precedent are satisfied or waived by RCOM (in so far as they are capable of being waived), any Existing Notes which have not been offered for tender or exchange pursuant to the Tender and Exchange Offer and/or which were not accepted for tender or exchange under the terms of the Tender and Exchange Offer may be redeemed for cash calculated in accordance with the Tender Ratio.

If the Conditions Precedents have not been satisfied or waived (in so far as they are capable of being waived), the Tender and Exchange Offer cannot be consummated.

The Tender and Exchange Offer is subject to a number of Conditions Precedent. See "Terms of the Tender and Exchange Offer - Conditions Precedent" in the Tender and Exchange Offer Memorandum. If the Conditions Precedent are not satisfied or waived by RCOM (in so far as they are capable of being waived), RCOM has the right to terminate the Tender and Exchange Offer and offers to tender or exchange Existing Notes will not be accepted. There can be no assurance that the Conditions Precedent will be satisfied or that RCOM will waive any Conditions Precedent that have not been satisfied but which are capable of being waived.

One of the Conditions Precedent is the receipt of RBI approval in connection with the Tender and Exchange Offer and the implementation of the Extraordinary Resolutions. This Condition Precedent is not capable of being waived. There is no guarantee that the RBI approval will be forthcoming, or if it is, that approval will be received in a timely manner.

The Tender Ratio and the Exchange Ratio may not reflect the market value of the Existing Notes.

To the extent that the Existing Notes are traded, prices of the Existing Notes will fluctuate greatly depending on the trading volume and the balance between buy and sell orders. Holders are urged to contact their brokers to obtain the best available information as to the potential market price of the Existing Notes and for advice concerning the effect of the Tender Ratio or Exchange Ratio.

There is no existing market for the Zero Coupon Notes and an active market for the Zero Coupon Notes may not develop, which may cause the price of the Zero Coupon Notes to fall.

The Zero Coupon Notes comprise a new issue of securities for which there is currently no trading market. The Issuer will make an application for the listing of the Zero Coupon Notes on the SGX-ST within three months of the Settlement Date. The Issuer cannot assure you that an active trading market for the Zero Coupon Notes will develop, or as to the liquidity or sustainability of any such market, the ability of holders to sell their Zero Coupon Notes or the price at which holders will be able to sell their Zero Coupon Notes. If an active market for the Zero Coupon Notes fails to develop or be sustained, the trading price of the Zero Coupon Notes could fall. If an active trading market were to develop, the Zero Coupon Notes could trade at prices that may be lower than the initial offering price (based on the Exchange Ratio) of the Zero Coupon Notes.

There is no guarantee that the Issuer will obtain or be able to maintain a listing of the Zero Coupon Notes on the SGX-ST.

Whether or not the Zero Coupon Notes will trade at lower prices depends on many factors, including:

- the market for similar securities;
- general economic conditions; and

- our business, financial condition and results of operations.

The Tender and Exchange Offer may not be completed.

RCOM cannot assure you that the Tender and Exchange Offer will be completed. Completion of the Tender and Exchange Offer is conditional upon the satisfaction or waiver by RCOM (in so far as they are capable of being waived) of the Conditions Precedent to the Tender and Exchange Offer set out herein. Until such time, RCOM cannot assure you that any Existing Notes will be accepted for tender or exchange.

Holders are responsible for complying with all of the procedures of the Tender and Exchange Offer.

Holders are responsible for complying with all of the procedures for tendering or exchanging the Existing Notes pursuant to the terms of this Tender and Exchange Offer Memorandum, including complying with all relevant deadlines. Holders are advised to check with the bank, securities broker, Clearing Systems or other Intermediary through which they hold their Existing Notes whether such entity applies earlier deadlines for any of the events specified in this Tender and Exchange Offer Memorandum, and then to allow for such deadlines if such deadlines are prior to the deadlines set out in this Tender and Exchange Offer Memorandum. None of RCOM, the Issuer, the Exchange Agent or the Trustee assumes any responsibility for informing holders of irregularities with respect to offers to tender or exchange from the holders.

Certain restrictions apply to the transfer of Existing Notes from the time of submission of an Electronic Instruction.

When considering whether to participate in the Tender and Exchange Offer, holders should take into account that restrictions on the transfer of the Existing Notes by holders will apply from the time of submission of the Electronic Instruction. A Holder will, while submitting an Electronic Instruction, agree that its Existing Notes will be blocked in the relevant account in the relevant Clearing System from the relevant time of submission until the earlier of: (i) the time of settlement on the Settlement Date; (ii) the withdrawal or deemed withdrawal by a Holder of its offer to tender or exchange including termination of the Tender or Exchange Offer; and (iii) the business day following the meeting of holders of Existing Notes, in the event that the Extraordinary Resolutions are not passed.

Holders may be subject to certain tax consequences in relation to the exchange of Existing Notes for Zero Coupon Notes.

Holders are liable for their own taxes and have no recourse to RCOM, the Issuer, the Exchange Agent or the Trustee with respect to taxes arising in connection with the Tender and Exchange Offer. Holders are urged to consult their own professional advisers regarding these possible tax consequences under the laws of the jurisdictions that apply to them or to the exchange of their Existing Notes and the receipt pursuant to the Tender and Exchange Offer of Zero Coupon Notes.

Holders need to comply with the Offer Restrictions.

Holders are referred to deemed representations and warranties set forth in Term 12 under the heading "Terms of the Tender and Exchange Offer" in the Tender and Exchange Offer Memorandum. Non-compliance with the offer restrictions by a holder could result in, among other things, an inability to validly offer to tender or exchange Existing Notes, the unwinding of trades and/or heavy penalties.

The Tender and Exchange Offer has not been independently evaluated.

Neither RCOM nor the Issuer has obtained third-party determination that the Tender and Exchange Offer is fair to holders of the Existing Notes. Neither RCOM nor the Issuer has retained or intends to retain any unaffiliated representative to act solely on behalf of the holders of the Existing Notes for the purposes of preparing a report concerning the fairness of the Tender and Exchange Offer and the Extraordinary Resolutions. The future value of the Zero Coupon Notes received may be less than the value of the Existing Notes exchanged.

The board of directors of RCOM has not made a determination that any cash consideration to be received in accordance with the Tender and Exchange Offer represents a fair valuation of the Existing Notes nor have the board of directors of RCOM obtained a fairness opinion from any financial advisor about the fairness to RCOM or to holders of the consideration to be received by holders.

Certain creditors of RCOM may attempt to challenge the progress or consummation of the Tender and Exchange Offer and Extraordinary Resolutions, which may result in the delay or termination of the Tender and Exchange Offer and Extraordinary Resolutions.

RCOM may be subject to litigation initiated by holders of the Existing Notes or other creditors to enjoin or otherwise prevent the settlement of the Tender and Exchange Offer and the Extraordinary Resolutions. These creditors could argue that the Tender and Exchange Offer and the Extraordinary Resolutions or the transactions related thereto, violate their specific credit instruments. They could seek to take judicial actions that may enjoin, impede, delay or result in the termination of the Tender and Exchange Offer and the Extraordinary Resolutions or require RCOM to pay damages in the event of an adverse judicial decision. While RCOM intends to oppose any such litigation or other efforts, it cannot assure you of a successful outcome.

In addition, RCOM also has the right to terminate or withdraw the Tender and Exchange Offer and the Extraordinary Resolutions at any time and for any reason, including, without limitation, if any of the conditions described under "Terms of the Tender and Exchange Offer - Conditions Precedent" set out in the Tender and Exchange Offer Memorandum are not satisfied.

A Holder's Existing Notes will be blocked for a period of time if a Holder chooses to participate in the Tender and Exchange Offer and Extraordinary Resolutions.

Holders that are Direct Participants must provide their Electronic Instruction by transmitting them or procuring their transmission to the Clearing Systems, causing the Existing Notes that are held by them to be blocked in the relevant Clearing System. Any voting instructions given by a Holder relating to the Extraordinary Resolutions and the Tender and Exchange Offer will be effected at the meeting by the Exchange Agent acting as proxy for the holders, provided such voting instructions are not revoked by such holders prior to the Expiration Time on the Expiration Date.

A Holder will, on tendering or exchanging its Existing Notes in the Tender and Exchange Offer, agree it holds and will hold, until the conclusion of the meeting of holders or any adjourned meeting in relation to the Extraordinary Resolutions, as the case may be, the Existing Notes, blocked in the relevant Clearing System and, in accordance with the requirements of the relevant Clearing System and by the deadline required by the relevant Clearing System, and that it has submitted, or has caused to be submitted, an electronic voting instruction to the relevant Clearing System, as the case may be, to authorize the blocking of the Existing Notes with effect on and from the date thereof so that no transfers of the Existing Notes may be effected.

The Exchange Ratio does not accord equal value to an Existing Note vis-à-vis a Zero Coupon Note. Accordingly, an Electronic Exchange Instruction may be automatically converted into an Electronic Tender Instruction.

Holders whose Existing Notes are validly offered for exchange pursuant to the Tender and Exchange Offer will receive the right to have issued to them or their nominee Zero Coupon Notes based on the Exchange Ratio. Existing Notes will be issued in a denomination of U.S.$200,000 and integral multiples of U.S.$1 in excess thereof. Fractions of Zero Coupon Notes will not be issued to holders on exchange. Cash adjustments will not be made in respect of any portion of entitlements to the Zero Coupon Notes with increments which fall below US$1.

An Electronic Exchange Instruction in respect of holdings of Existing Notes which do not meet the minimum denominations applicable to Zero Coupon Notes based on the Exchange Ratio will be automatically

converted to an Electronic Tender Instruction and the holdings subject to such instruction will be accepted instead for tender in accordance with the Tender Ratio.

Holders are responsible for conducting their own investigations and getting independent legal, financial and tax advice.

Holders are responsible for independently investigating the position of RCOM and the Issuer. None of RCOM, the Issuer, the Trustee or the Exchange Agent assumes any responsibility for informing holders of the financial or other position or prospects of RCOM or the Issuer, or of their subsidiaries, associates and joint ventures in connection with the Extraordinary Resolutions and the Tender and Exchange Offer.

Holders should consult their own tax, accounting, financial and legal advisers regarding the suitability to themselves of the tax or accounting consequences of participating in the Extraordinary Resolutions or the Tender and Exchange Offer. None of RCOM, the Issuer, the Trustee or the Exchange Agent has made or will make any assessment of the merits of the Extraordinary Resolutions or the Tender and Exchange Offer or of the impact of the Extraordinary Resolutions or the Tender and Exchange Offer on the interests of holders either as a class or as individuals. Holders are liable for their own taxes and have no recourse to RCOM, the Issuer, the Trustee or the Exchange Agent with respect to taxes arising in connection with the Extraordinary Resolutions or the Tender and Exchange Offer.

CAPITALIZATION AND INDEBTEDNESS

The following table sets out our indebtedness and capitalization as of March 31, 2018.

This table should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our historical financial statements and the related notes included elsewhere in this Offering Circular.

	As of March 31, 2018
	Actual
Short-term debt:	
Interest accrued but not due on GCX Secured Notes	4,083,334
Total short-term debt	4,083,334
Long-term debt:	
GCX Secured Notes	348,982,875
Total long-term debt	348,982,875
Total debt.....	353,066,209
Total equity.....	193,841,545
Total capitalization	546,907,754

SELECTED HISTORICAL FINANCIAL INFORMATION AND OTHER INFORMATION

The following tables are derived from our audited historical financial statements. The summary historical financial information as of and for the years ended 2016, 2017 and 2018 has been derived from our audited financial statements included elsewhere in this Offering Circular.

Our historical financial statements have been prepared and presented in accordance with IFRS. Our historical results do not necessarily indicate our expected results for any future period. You should read the following information in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical financial statements and the related notes that are included elsewhere in this Offering Circular.

STATEMENTS OF COMPREHENSIVE INCOME

	For the year ended March 31,		
	2016	**2017**	**2018**
	US$	**US$**	**US$**
Continuing Operations			
REVENUE			
Service revenue	431,379,495	403,109,629	361,853,834
Other income	8,419,405	3,471,989	7,342,833
TOTAL REVENUE	**439,798,900**	**406,581,618**	**369,196,667**
EXPENSES			
Network operation expenses	210,806,555	192,215,412	170,924,167
Employee cost	54,679,608	56,688,828	61,782,576
Depreciation and amortization	84,961,876	78,786,226	82,565,555
Impairment of goodwill	-	69,460,848	-
Other expenses	27,027,138	28,194,707	23,982,922
TOTAL EXPENSES	**377,475,177**	**425,346,021**	**339,255,220**
Operating profit	**62,323,723**	**(18,764,403)**	**29,941,447**
Finance income	17,720	66,772	45,477
Finance costs	(27,738,358)	(27,930,711)	(27,867,033)
Finance costs, net	**(27,720,638)**	**(27,863,939)**	**(27,821,556)**
(Loss)/ Gain on foreign currency fluctuation (net)	(2,202,261)	1,356,209	(2,445,454)
Profit before income tax	**32,400,824**	**(45,272,133)**	**(325,563)**
Income tax (charge)/credit	8,346,387	874,190	(639,463)
Net profit/(loss) from continuing operations	**40,747,211**	**(44,397,943)**	**(965,036)**
Discontinued Operations			
Net profit/(loss) from discontinued operations	(19,937,342)	(192,225,898)	5,864,947
Net profit for the year	**20,809,869**	**(236,623,841)**	**4,899,921**
Other comprehensive income/(loss):			
Currency translation differences	(5,851,446)	(11,167,950)	(261,242)
Total other comprehensive income for the year	**(5,851,446)**	**(11,167,950)**	**(261,242)**
Total comprehensive income for the year	**(14,958,423)**	**(247,791,791)**	**4,638,679**

	For the year ended March 31,		
	2016	2017	2018
	US$	US$	US$
Continuing Operations			
Net profit attributable to:			
Our owners	20,797,176	(236,725,611)	4,828,079
Non-controlling interest	12,693	101,770	71,842
Total comprehensive income attributable to:			
Our owners	14,945,730	(247,893,561)	4,566,837
Non-controlling interest	12,693	101,770	71,842

STATEMENTS OF FINANCIAL POSITION

	As of March 31,		
	2016	**2017**	**2018**
	US$	**US$**	**US$**
ASSETS			
Current Assets			
Trade and other receivables	206,841,231	255,805,764	273,394,134
Cash and bank deposits	83,410,140	62,948,786	47,571,142
Total current assets	**290,251,371**	**318,754,550**	**320,965,276**
Non-current Assets			
Property, plant and equipment	987,536,809	934,868,269	878,233,827
Capital work-in-progress	18,818,731	181,371	52,611
Intangible assets	374,289,383	117,236,403	106,082,979
Intangible assets under development	-	-	3,300,000
Trade and other receivables	18,190,411	13,877,300	17,309,877
Income tax assets	2,413,747	2,231,888	1,899,158
Deferred income tax assets	233,282	925,746	77,799
Total non-current assets	1,401,482,363	1,069,320,977	1,006,956,251
TOTAL ASSETS	**1,691,733,734**	**1,388,075,527**	**1,327,921,527**
LIABILITIES			
Current Liabilities			
Borrowings	5,658,889	15,541,423	4,083,334
Trade and other payables	179,100,464	174,750,522	167,425,223
Deferred revenue	146,013,997	140,995,813	146,606,554
Current income tax liabilities	3,085,301	1,712,911	1,305,642
Total current liabilities	**333,858,651**	**333,000,669**	**319,420,753**
Non-current Liabilities			
Borrowings	358,876,686	358,415,858	348,982,875
Trade and other payables	1,225,190	1,533,721	1,491,792
Deferred revenue	533,987,870	483,722,106	441,923,158
Asset retirement obligation	20,533,959	20,904,782	21,282,386
Deferred income tax liabilities	6,256,721	1,295,525	979,018
Total non-current liabilities	**920,880,426**	**865,871,992**	**814,659,229**
TOTAL LIABILITIES	**1,254,739,077**	**1,198,872,661**	**1,134,079,982**
Equity attributable to our owners			
Share capital	235,322,790	235,322,790	235,322,790
Share premium	104,163,499	104,163,499	104,163,499
Retained earnings	86,853,782	(149,871,829)	(145,043,750)
Foreign currency translation reserve	(59,374,780)	(70,542,730)	(70,803,972)
Other reserves	72,816,469	72,816,469	72,816,469
Total equity attributable to our owners	439,781,760	191,888,199	196,455,036
Non-controlling interest	(2,787,103)	(2,685,333)	(2,613,491)
TOTAL EQUITY	**436,994,657**	**189,202,866**	**193,841,545**
TOTAL LIABILITIES AND EQUITY	**1,691,733,734**	**1,388,075,527**	**1,327,921,527**

SELECTED ITEMS FROM STATEMENTS OF CASH FLOW

	For the year ended March 31,		
	2016	**2017**	**2018**
	US$	**US$**	**US$**
Net cash from/(used in) operating activities	51,221,921	31,156,591	51,632,201
Net cash used in purchase of property, plant and equipment and intangibles	(32,310,057)	(21,446,308)	(29,982,080)
Net cash from/(used in) investing activities	(32,291,735)	(21,378,154)	(29,935,131)
Net cash from/(used in) financing activities	(27,956,482)	(32,089,352)	(35,690,064)
Net increase/(decrease) in cash and cash equivalents	(9,026,296)	(22,310,915)	(13,992,994)

The following tables reconcile our net profit for the year to Adjusted EBITDA for the periods presented:

	As of the year ended March 31,		
	2016	**2017**	**2018**
	US$	**US$**	**US$**
Net profit for the year	20,809,869	(236,623,841)	4,899,921
Add: (Profit)/loss from discontinued operation	19,937,342	192,225,898	(5,864,947)
Add: Income tax charge/(credit)	(8,346,387)	(874,190)	639,463
Add: Finance costs	27,738,358	27,930,711	27,867,033
Less: Finance income	(17,720)	(66,772)	(45,477)
Add: Depreciation and amortization	84,961,876	78,786,226	82,565,555
Add: Impairment of goodwill	-	69,460,848	-
Adjusted EBITDA[(1)]	**145,083,338**	**130,838,880**	**110,061,548**

(1) Adjusted EBITDA for any period is defined as net profit/(loss) for the year, excluding depreciation and amortization, finance costs, net, income tax charge/credit, profit/loss from discontinued operation and impairment of goodwill. We believe that Adjusted EBITDA may be useful to facilitate comparisons of operating performance between periods and with other companies because it excludes the effects of: (i) depreciation and amortization, which represents a non-cash charge to earnings, (ii) impairment of goodwill, which represents a non-cash charge to earnings, (iii) finance costs and finance income, which have little or no bearing on our operating performance (iv) income tax charge/credit and (v) profit / loss from discontinued operation, which have little or no bearing on our operating performance. Adjusted EBITDA is not a measurement of financial performance or liquidity under IFRS and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities as a measure of liquidity. In addition, Adjusted EBITDA is not a standardized term, hence, a direct comparison between companies using such terms may not be possible.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis provides management's perspective on our financial condition and results of operations prior to the issuance of the Zero Coupon Notes. Accordingly, the discussion and analysis of historical periods do not reflect the impact that the issuance of the Zero Coupon Notes will have on us.

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with the section entitled "Selected Historical Financial Information and Other Information" and our historical financial statements and the related notes included elsewhere in this Offering Circular. Our historical financial statements have been prepared in accordance with IFRS. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results and the timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Risk Factors" and elsewhere in this Offering Circular. The statements in the discussion and analysis regarding industry outlook, our expectations regarding the performance of our business and the forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, the risks and uncertainties described in "Risk Factors" and "Forward-Looking Statements."

Overview

We are one of the leading global data communications service providers with one of the largest global subsea cable and terrestrial networks. We serve a diverse customer base, including major telecommunications carriers, large multinational enterprises and new media companies. Our wide range of products allows our customers to create, manage and connect their networks globally.

We provide our services through a global network of subsea cables, landing stations, terrestrial networks, IP network and managed network services platforms controlled by a fully redundant global network operating center ("***GNOC***") (collectively, the "***GCX Global Network***"). The GCX Global Network connects most of the major telecommunications hubs across the globe, from the developed markets in the U.S. and Europe to key emerging markets in the Middle East and Asia, including India and China. The principal elements of the GCX Global Network include:

- Five subsea cable systems operating on major global data traffic routes, namely, the Trans-Atlantic route, the Europe-Asia route, the Europe-Middle East & Egypt route and the Intra-Asia route. As of March 31, 2018, these cable systems had a total length of 68,698 route kilometers ("***rkm***") and landed at 46 landing stations in 27 countries;

- Owned and leased terrestrial networks with a total length of 9,510 rkm in over 25 metropolitan areas across 14 countries covering major business centers. These terrestrial networks are integrated with our subsea cable systems;

- A scalable global IP and multi-protocol label switching ("***MPLS***") network provided over 27 diverse owned and leased international subsea and terrestrial cable routes with 1224 direct inter-connections to 624 third party networks;

- A managed network services platform that connects approximately 22,000 sites in 150 countries through a combination of leased and owned infrastructure offered through a dedicated secure IP network; and

- Two GNOCs in Heathrow, London and Mumbai that act as the global network operational centers of the GCX Global Network, the functions of which include 24-hour monitoring, network operations, restoration coordination and technical support.

We offer a broad range of products and services including:

- Managed network services, which include network design, implementation, operations and management for enterprise customers and typically have contract periods of two to five years.

- Internet Protocol ("***IP***") services, which provide Internet and VPN point-to-multi-point connectivity and typically have contract periods of one year;

- Bandwidth capacity on the GCX Global Network that we sell in the form of indefeasible rights of use ("***IRUs***"), which are typically 15-year contracts paid for upfront, and annual operations and maintenance ("***O&M***") services related to these IRUs; and

- International Private Leased Circuits ("***IPLC***") services, which provide point-to-point connectivity and typically have contract periods of one to three years.

Our total revenue and profits have both declined during the past three financial years. For the years ended March 31, 2018, 2017 and 2016, our revenue was US$369.2 million, US$406.6 million and US$439.8, respectively, and our operating profit/(loss) for the corresponding years was US$29.9 million, US$(18.8) million and US$62.3 million.

We have principal offices in Mumbai, Hong Kong and London. As of March 31, 2018 we had 936 sales and support staff across four sales regions and 21 locations.

Factors Affecting Results of Operations

We believe that our results of operations are most significantly affected by the following factors:

Growth in data traffic

There has been a rapid increase in the number of Internet users in recent years due to (1) the proliferation of smart devices, (2) high network speeds and evolving technologies, (3) the development of data intensive applications and (4) the rapid development of social networking and new media.

Price decline

The prices that we have been able to charge for our products and services have declined largely in line with the overall market, and such prices are expected to decline in the future due to advances in technology, development of new products, and differences between supply and demand. We expect that our ability to manage price declines while retaining our customers will have a significant effect on our results of operations.

Ability to swiftly provide innovative and end-to-end solutions to our customers

The business segments in which we operate are characterized by evolving industry standards, changing customer preferences and frequent introduction of new technologies, products and services. Responding to opportunities to expand into higher margin services to complement our traditional capacity and network services is a key element of our growth strategy. We expect that our ability to anticipate these technological advances and develop innovative and end-to-end solutions for our customers to meet their requirements in a timely and cost-effective manner will have a significant effect on our results of operations.

Competition

The data communication services industry is highly competitive. Our principal competitors and potential competitors include established telecommunications companies, large IT services companies and subsea cable operators. We compete primarily on the basis of geographical reach, network performance, quality and pricing of our products and services. We believe that our ability to grow and successfully implement our strategies depends on our ability to compete successfully.

Revenue mix

Our revenue mix may shift from year to year, particularly between the sales of bandwidth capacity and IPLC and IP services, based on customer needs and the availability of new subsea cable systems. Generally, higher sales of IRU orders or the signing of new IRU agreements will provide us with long-term commitments and additional O&M services revenues for the duration of the agreement, typically 15 years. Revenue from IPLC and IP services generates higher revenue compared to sales of bandwidth capacity per unit of capacity sold, but the contracts are typically for a period of one to three years. A change in revenue mix will significantly affect our revenue and profitability.

Capital expenditure

Capital expenditure commitments have had and will continue to have a significant effect on our cash flows. We incur capital expenditure for maintenance and increase in capacity and for expansion of the GCX Global Network.

Network operation expenses

Our operating expenses are predominantly network operation expenses, which accounted for 55.8%, 45.2% and 50.4%, respectively, of our total expenses for the financial years ended March 31, 2016, 2017 and 2018. The fixed element of our network operations expenditure primarily relates to the operation and maintenance of the GCX Global Network, which are incurred regardless of the volume of customer orders we receive. Incremental revenues do not result in significant incremental expenses, thereby generating high margins for us. However, certain incremental expenses may arise due to physical damage or equipment breakdown as a result of natural disasters or other circumstances. Furthermore, if customer orders were to decrease, we may not be able to recoup our fixed costs in order to manage our profitability. The variable network operations expenditures mainly relate to our IPLC, IP and managed network services.

Development and maintenance of relationships with our partners and other service providers

We have a number of relationships with various partners, such as landing parties and other service providers for our IP and managed network services platforms. Some of these partners are also our customers who help connect us to end-users of our services, and as a result, we are able to access and target end-users of our services without entering into direct competition with our partners. By deepening our relationships with such customers, we may be able to access a larger number of customers while saving costs associated with establishing and developing customer bases in new markets. Our relationships with landing parties provide access to the origination and termination points necessary for continued operations and future upgrades, such as cable landing stations, at various locations on our global network, while our third party suppliers provide us with fiber, computers, software, cable ships, optronics, transmission electronics and related components as well as network co-location facilities that are integrated into the GCX Global Network. Our ability to offer end-to-end services and new services is dependent on the landing parties' willingness to provide cost-effective terrestrial services, to agree to connect other terrestrial networks to our systems, to provide us with access to the landing parties' facilities for the purpose of upgrading the network and to support changes in the regulatory environment. Consequently, the development and continued maintenance of relationships with our partners and other service providers impacts our customer base and affects our sales revenue.

Taxation

Our financial condition is affected by the applicable statutory tax rates and tax exemptions to which we are subject. Our revenue is largely recognized in Bermuda, Ireland, France, the United States, Germany and Australia. The government of Bermuda granted the Tax Holiday providing that in the event that any legislation is enacted in Bermuda imposing income or profits tax or tax on any capital asset, gain or appreciation, such tax shall not apply to us or to any of our operations until March 31, 2035. We expect that our future tax liability, and therefore our profitability and financial condition, will be affected by the expiration and extension of the Tax Holiday, the expiration or utilization of unused tax losses or capital allowances, our ability to substantiate current transfer pricing methodologies in the event of any challenges by tax authorities and any changes to the statutory tax rates applicable to our operations.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based on our historical financial statements, which have been prepared in accordance with IFRS. The preparation of these historical financial statements requires us to make estimates and judgments that affect the reported amounts of our assets, liabilities, revenue and expenses. Although these estimates are based on our knowledge of current events, our actual amounts and results could differ from those estimates. The estimates made are based on historical factors, current circumstances, and the experience and judgment of our management, who continually evaluate the judgments, estimates and assumptions.

Certain of our accounting policies are deemed "critical," as they are both most important to the financial statement presentation and require management's most subjective or complex judgments as a result of the need to make estimates about the effect of matters that are inherently uncertain. For a full description of our significant accounting policies, see "Significant accounting policies", to our audited historical financial statements included elsewhere in this Offering Circular.

Revenue recognition

The GCX Group recognizes revenue when the amount of revenue can be reliably measured. It is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of GCX Group's activities as described below. Revenue is measured at the fair value of the consideration receivable and represents the receivable amount for services rendered, net of taxes, expected price reductions and rebates. The GCX Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

In revenue arrangements including more than one deliverable, the arrangements are divided into separate units of accounting. Deliverables are considered separate units of accounting if the following two conditions are met: (1) the deliverable has value to the customer on a stand-alone basis and (2) there is evidence of the fair value of the item. The arrangement consideration is allocated to each separate unit of accounting based on its relative fair value.

Bandwidth capacity

GCX Group sells Bandwidth capacity that provides customers with network capacity, typically over a 10 to 15 year period without transferring the legal title or giving an option to purchase the network assets. Capacity service revenues are recognized in GCX Group's Consolidated Statement of Comprehensive Income on a straight line basis over the life of the contract. Revenue on non-cancellable contracts for the grant of a right to use of specified fiber pairs for a period of 15 to 20 years or the economic useful life is recognized as revenue on delivery of such assets to the customers.

Operation and maintenance charges

GCX Group provides operation and maintenance services over the life of the capacity contract, for which GCX Group receives operation and maintenance charges. Operation and maintenance charges are invoiced separately from capacity sales. Revenues relating to maintenance are recognized over the period in which the service is provided.

International private leased circuits and others

International Private Leased Circuits include lease capacity services and restoration service for other network operators. The customer typically pays the charges for these services periodically over the life of the contract, which may be up to three years. Revenue is recognized in GCX Group's Consolidated Statement of Comprehensive Income over the term of the contract.

Internet protocol

GCX Group recognizes internet protocol (including Ethernet) revenue over the term of the contract. Fees related to activation of services are deferred and recognized over the expected term of the related service agreement.

Managed network services

A network contract typically covers the design, supply and installation of the network and provision of packaged network solutions. Revenue relating to the initial part of the contract is determined by the value of the component elements represented by the equipment installed and time expended on this element of the contract and is recognized over the contract implementation period. The remainder of the contract value covering provisions of packaged network solutions is recognized evenly over the period of contract.

Interest income

Interest income is recognized using the effective interest method.

Dividend income

Dividend income is recognized when our right to receive the dividend is established.

Current and deferred income tax

The tax expense comprises of current tax and deferred tax. Income tax is recognized in net profit in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In that case, the income tax is also recognized in other comprehensive income or directly in equity, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Consolidated Statement of Financial Position date in the respective countries where GCX Group operates and generates taxable income.

Deferred tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the Consolidated Financial Statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Consolidated

Statement of Financial Position date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax liability is provided on temporary differences arising on investment in subsidiaries, except for deferred tax liability where the timing of the reversal of the temporary difference is controlled by GCX Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Consolidated Statement of Comprehensive Income in the year of change.

Cash and cash equivalents

In the Consolidated Statements of Cash Flows, cash and cash equivalents includes cash in hand, bank balances and deposits, other short-term highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash and cash equivalent and bank overdrafts (used for cash management purposes). In the Consolidated Statement of Financial Position, bank overdrafts, if any, are shown as part of borrowings under current liabilities.

Cash and claims to cash that are restricted as to withdrawal or use in the ordinary course of business are disclosed separately as restricted cash, unless they are meant to be utilized for other than current operations, in which case they will be separately presented as restricted deposits under non-current assets.

Impairment of financial assets

We assess at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

Assets carried at amortized cost

For trade and other current receivables and other financial assets carried at amortized cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

Evidence of impairment may include indications that the debtors or group of debtors experiencing significant financial difficulty, default or delinquencies in interest or principal payments, the probability that they will enter bankruptcy or any financial reorganization, whether the observable data indicate that there is a

measurable decrease in the estimated future cash flows, such as change in arrears or economic conditions that collateral with defaults.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the income statement.

Assets classified as available for sale

Significant or prolonged decline in the fair value of the asset below its cost and the disappearance of an active trading market for the asset are objective evidence that the asset is impaired. An impairment loss in respect of an available-for-sale asset is calculated by reference to its fair value and is recognized in net profit in the Consolidated Statement of Comprehensive Income. If any such evidence exists for available-for-sale assets, the cumulative loss — measured as the recognized in profit or loss — is removed from equity and recognized in profit or loss. If, in a subsequent period, the fair value of an instrument classified as available for sale increases, and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed.

Impairment of non-financial assets

GCX Group assesses at each Consolidated Statement of Financial Position date whether there is objective evidence that a financial asset or a group of assets is impaired. An asset is considered impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Individually significant assets are tested for impairment on an individual basis. The remaining assets are assessed collectively in groups that share similar credit risk characteristics.

Assets carried at amortized cost

For trade and other current receivables and other assets carried at amortized cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. Future cash flows for assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

Evidence of impairment may include indications that the debtors or group of debtors experiencing significant financial difficulty, default or delinquencies in interest or principal payments, the probability that they will enter bankruptcy or any financial reorganization, whether the observable data indicate that there is a measurable decrease in the estimated future cash flows, such as change in arrears or economic conditions that collateral with defaults.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the Consolidated Statement of Comprehensive Income.

Property, plant and equipment

Recognition and measurement

Property, plant and equipment consists of network assets, leasehold improvements, computers and office equipment, vehicles, furniture and fittings.

Property, plant and equipment are stated at cost, net of accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets and includes the projected cost of dismantlement, removal or restoration if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purposes other than to produce inventories.

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to GCX Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the Consolidated Statement of Comprehensive Income during the financial period in which they are incurred.

Depreciation

Depreciation on all assets is calculated so as to write-down the cost of property, plant and equipment to its residual value over its estimated useful life. Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the property, plant and equipment as follows:

Network assets.....	the shorter of 15 to 25 years or remaining useful lives.
Leasehold improvements.....	the shorter of actual useful life or lease term.
Computers and office equipment.....	3 to 6 years.
Vehicles.....	5 years.
Furniture and fittings	3 to 7 years.

Network assets include fiber-optic subsea cable networks and terrestrial assets. The cost of network assets include cost incurred towards construction of cable systems, subsequent cost incurred for upgradation of network systems and cost of its dismantlement, removal or restoration, the obligation for which an entity incurs as a consequence of installing the item.

The estimated useful lives of cable systems which are part of network assets are determined based on the estimated period over which they will generate revenue.

Capital work in Progress

Costs incurred prior to the capital project's completion are reflected as capital-work-in-progress, which is transferred to property, plant and equipment at the date the project is complete. Capital-work-in-progress is stated at cost.

Results of Operations

Revenue

Our revenue consists of service revenue and other income. We derive our service revenue from the following:

- *Bandwidth Capacity*. Under our IRU agreements, we sell bandwidth capacity between landing stations or PoPs on the GCX Global Network to our customers for an extended period of typically 15 years. The agreed price is reflected in deferred revenues upon activation of the IRU capacity, at which time the purchase price for the IRU becomes payable. Customers then pay a pre-agreed annual operations and maintenance fee, which is usually a percentage of the upfront one-time fee paid to purchase the IRU. Separately, cash payments on IRU orders for additional capacity are made throughout the term of the agreement. Revenue from the IRUs is recognized on a straight-line basis over the duration of the IRU agreement while customers are billed for IRU services based on individual orders for additional capacity during the term of the IRU agreement. Revenue on non-cancellable contracts for right to use of specified fiber pairs for a period of 15 to 20 years or economic useful life is recognized as revenue on delivery of such assets to the customers

- *Managed Network Services*. We derive revenue from the network design, implementation, operations and management for enterprise customers with contract periods of typically two to five years. Revenue relating to the initial part of the contract is determined by the value of the component elements represented by the equipment installed and time expended on this element of the contract and is recognized over the contract implementation period. The remainder of the contract value covering provisions of managed network solutions is recognized evenly over the period of contract.

- *Internet Protocol*. Our IP services enables customers to access the Internet at high speeds from any city on the GCX Global Network. We typically enter into annual, recurring contracts where customers buy capacity in bulk and can choose among various speeds. Services provided are billed at a fixed rate on a monthly or quarterly basis in advance based on the amount of usage contracted for, with any excess usage being billed at an agreed rate subsequently. Revenue from IP services is recognized when billed.

- *IPLC and Others.* We offer our customers IPLC services, which are point-to-point connections of dedicated bandwidth between any two landing stations or PoPs on the GCX Global Network or two customer-specific locations, on one to three-year contracts that provide for monthly or quarterly payments, which are then recognized as revenue. We also generate one-time revenue from providing our customers with restoration services, where we offer customers capacity to restore traffic when their primary route or capacity fails, for which the customer pays a one-time fee. Additionally, we generate on-going revenue from providing our customers with co-location services, comprising rented space at our PoPs, where customers can install and operate their own servers, content storage devices and communications network equipment.

- *O&M Charges*. We provide O&M services over the term of an IRU agreement, for which we receive an annual O&M fee, which is usually a percentage of the upfront one-time fee to purchase an IRU. O&M charges are mainly invoiced annually in advance. Revenue relating to O&M is recognized over the period in which the service is provided.

Our other income consists of tax refunds and certain other income.

The following table shows the details of our revenue for each of the periods presented:

Service Revenue

	For the Year Ended March 31,					
	2016	**2016**	**2017**	**2017**	**2018**	**2018**

	US$ (in millions)	% of Total	US$ (in millions)	% of Total	US$ (in millions)	% of Total
Managed Network Services	145.0	33.6	127.4	31.6	107.2	29.6
Bandwidth Capacity	105.7	24.5	99.0	24.6	85.0	23.5
Internet Protocol	72.6	16.8	67.2	16.7	61.4	17.0
International Private Leased Circuits and Others	62.3	14.4	62.7	15.5	62.4	17.3
Operation and Maintenance Charges	45.7	10.6	46.9	11.6	45.8	12.7
Total	**431.4**	**100.0**	**403.1**	**100.0**	**361.9**	**100**

Other Income

	For the Year Ended March 31,		
	2016	2017	2018
	US$ (in millions)	US$ (in millions)	US$ (in millions)
Liabilities written back	3.0	2.9	6.3
Interest on income tax refund	5.4	0.5	0.4
Miscellaneous income	0.0	0.1	0.7
Total	**8.4**	**3.5**	**7.4**

Expenses

Our expenses consist of network operation expenses, employee costs, depreciation and amortization and other expenses.

Network Operation Expenses. Our network operation expenses primarily consist of telecommunication circuit and equipment costs, costs associated with our terrestrial cable, inland amplifier and regenerator sites and local tails, costs associated with our landing stations and PoPs, utility expenses, costs associated with marine cable operations and equipment maintenance and support charges.

Employee Cost. Our employee costs consist of salaries, wages and bonuses, contributions to define contribution plans, staff welfare expenses and employee share based payment expenses.

Depreciation and Amortization. Our depreciation and amortization expense consists of depreciation and amortization expenses in relation to our tangible and intangible assets.

Impairment of goodwill. Our impairment of goodwill consists of impairment loss recognized for reduction in carrying value of goodwill of Vanco business.

Other Expenses. Our other expenses primarily consist of rent, travel and entertainment expenses, impairment of trade receivables, legal and professional fees, insurance charges, licensing and regulatory fees, information technology support, contracted services, and facility and usage changes and miscellaneous costs.

The following table shows the details of our expenses for each of the periods presented:

	For the Year Ended March 31,		
	2016	2017	2018
	US$ (in millions)	US$ (in millions)	US$ (in millions)
Network operation expenses	210.8	192.2	170.9
Depreciation and amortization	85.0	78.8	82.6

Impairment of goodwill	-	69.5	-
Employee cost	54.7	56.7	61.8
Other expenses	27.0	28.2	24.0
Total	**377.5**	**425.3**	**339.3**

Finance Cost, Net, Gain/(Loss) on Foreign Currency Fluctuation (net) and Income tax Charge

Finance Cost, Net. Our finance cost consists of interest expenses on finance leases, interest on retirement obligations (non-cash) and other financial charges.

Gain/(Loss) on Foreign Currency Fluctuation (net). Foreign currency exchange gains and losses consist of differences resulting from translation of assets and liabilities denominated in foreign currencies to our functional currency.

Income Tax Charge/Credit. Our income tax expense comprises current and deferred income tax. Our effective income tax for the years ended March 31, 2016, 2017 and 2018 varied significantly.

Year ended March 31, 2018 compared to year ended March 31, 2017

Revenue

Our total revenue decreased by 9.2% to US$369.2 million in the year ended March 31, 2018 from US$406.6 million in the year ended March 31, 2017.

Service Revenue. Our service revenue decreased by 10.2% to US$361.9 million in the year ended March 31, 2018 from US$403.1 million in the year ended March 31, 2017.

- *Managed Network Services*. Revenue from managed network services decreased by 15.9% to US$107.2 million in the year ended March 31, 2018 from US$127.4 million in the year ended March 31, 2017.

- *Bandwidth Capacity.* Bandwidth capacity revenue decreased by 14.2% to US$85.0 million in the year ended March 31, 2018 from US$99.0 million in the year ended March 31, 2017.

- *Internet Protocol*. Revenue from IP services decreased by 8.6% to US$61.4 million in the year ended March 31, 2018 from US$67.2 million in the year ended March 31, 2017.

- *IPLCs and Others*. Revenue from IPLCs and others remained relatively stable at US$62.4 million in the year ended March 31, 2018 compared with US$62.7 million in the year ended March 31, 2017.

- *O&M Charges*. Revenue from O&M charges decreased by 2.2% to US$45.8 million in the year ended March 31, 2018 from US$46.9 million in the year ended March 31, 2017.

Other Income. Our other income increased to US$7.3 million for the year ended March 31, 2018 from US$3.5 million for the year ended March 31, 2017, primarily due to an increase of US$3.3 million in liabilities written back.

Expenses

Our total expenses decreased by 20.2% to US$339.3 million in the year ended March 31, 2018 from US$425.3 million in the year ended March 31, 2017, primarily due to a decrease in network operation expenses, partially offset by an increase in employee costs.

Network Operation Expenses. Our network operation expenses decreased by 11.1% to US$170.9 million in the year ended March 31, 2018 from US$192.2 million in the year ended March 31, 2017, primarily due a decrease of US$23.3 million in Telecom Circuit cost and Equipment.

Employee Cost. Our employee costs remained at approximately the same amounts at US$61.8 million in the year ended March 31, 2018 as compared to US$56.7 million in the year ended March 31, 2017.

Depreciation and Amortization. Our depreciation and amortization expense remained at approximately the same amounts at US$82.6 million in the year ended March 31, 2018 as compared to US$78.8 million in the year ended March 31, 2017.

Other Expenses. Our other expenses decreased by 14.9% to US$24.0 million in the year ended March 31, 2018 from US$28.2 million in the year ended March 31, 2017, primarily due to a decrease of US$3.8 million in the impairment of trade receivables.

Finance Cost, Net. Our finance costs, net remained at approximately the same amounts at US$27.9 million in the year ended March 31, 2018 as compared to US$27.9 million in the year ended March 31, 2017.

Gain/(Loss) on Foreign Currency Fluctuation (net)

Our loss on foreign currency fluctuation (net) was US$2.4 million in the year ended March 31, 2018 as compared to gain on foreign currency fluctuation (net) of US$1.4 million in the year ended March 31, 2017.

Income Tax Charge/Credit

We received an income tax charge of US$0.6 million in the year ended March 31, 2018 as compared to a credit of US$0.9 million in the year ended March 31, 2017.

Discontinued Operations.

Our profit from discontinued operations was US$5.9 million in the year ended March 31, 2018 as compared to loss from discontinued operations of US$192.2 million in the year ended March 31, 2017.

Net Profit for the Year

As a result of the foregoing, our net profit for the year increased to US$4.9 million in the year ended March 31, 2018 from a loss of U$236.6 million in the year ended March 31, 2017.

Year ended March 31, 2017 compared to year ended March 31, 2016

Revenue

Our total revenue decreased by 7.6% to US$406.6 million in the year ended March 31, 2017 from US$439.8 million in the year ended March 31, 2016.

Service Revenue. Our service revenue decreased by 6.6% to US$403.1 million in the year ended March 31, 2017 from US$431.4 million in the year ended March 31, 2016.

- *Managed Network Services*. Revenue from managed network services decreased by 12.1% to US$127.4 million in the year ended March 31, 2017 from US$145.0 million in the year ended March 31, 2016.

- *Bandwidth Capacity.* Revenue from our sale of bandwidth capacity decreased by 6.3% to US$99.0 million in the year ended March 31, 2017 from US$105.7 million in the year ended March 31, 2016.

- *Internet Protocol*. Revenue from IP services decreased to US$67.2 million in the year ended March 31, 2017 from US$72.6 million in the year ended March 31, 2016.

- *IPLCs and Others*. Revenue from IPLCs and others increased by 0.5% to US$62.7 million in the year ended March 31, 2017 from US$62.3 million in the year ended March 31, 2016.

- *O&M Charges*. Revenue from operations and maintenance charges was US$46.9 million in the year ended March 31, 2017 and US$45.7 million in the year ended March 31, 2016.

Other Income. Our other income decreased to US$3.5 million in the year ended March 31, 2017 from US$8.4 million in the year ended March 31, 2016, primarily due to a decrease of US$5.0 million in interest in income tax refund.

Expenses

Our total expenses increased by 12.7% to US$425.3 million in the year ended March 31, 2017 US$377.5 million in the year ended March 31, 2016.

Network Operation Expenses. Our network operation expenses decreased by 8.8% to US$192.2 million in the year ended March 31, 2017 from US$210.8 million in the year ended March 31, 2016.

Employee Cost. Our employee costs increased by 3.7% to US$56.7 million in the year ended March 31, 2017 from US$54.7 million in the year ended March 31, 2016.

Depreciation and Amortization. Our depreciation and amortization expense decreased by 7.3% to US$78.8 million in the year ended March 31, 2017 from US$85.0 million in the year ended March 31, 2016.

Impairment of goodwill. Our impairment of goodwill amounted to US$69.5 million in the year ended March 31, 2017 as compared no impairment of goodwill in the year ended March 31, 2016.

Other Expenses. Our other expenses remained at approximately the same amounts at US$28.2 million in the year ended March 31, 2017 as compared to US$27.0 million in the year ended March 31, 2016.

Finance Cost, Net

Our finance costs, net remained at approximately the same amounts at US$27.8 million in the year ended March 31, 2017 from US$27.7 million in the year ended March 31, 2016.

Gain/(Loss) on Foreign Currency Fluctuation (net)

Our gain on foreign currency fluctuation (net) was US$1.4 million in the year ended March 31, 2017 as compared to a loss of US$2.2 million in the year ended March 31, 2016.

Income Tax Charge/Credit

We received a tax credit of US$0.9 million in the year ended March 31, 2017 as compared to an income tax credit of US$8.3 million in the year ended March 31, 2016.

Discontinued Operations.

Our loss from discontinued operations was US$192.2 million in the year ended March 31, 2017 as compared to loss from discontinued operations of US$19.9 million in the year ended March 31, 2016.

Net Profit for the Year

As a result of the foregoing, our net loss for the year increased to US$236.6 million in the year ended March 31, 2017 from net gain of US$20.8 million in the year ended March 31, 2016.

Liquidity and Capital Resources

Our cash flows are principally generated from customer billings for the services provided by us and borrowings. Our main uses of liquidity are operating expenditure, upgrade and maintenance of systems, network support charges, equipment costs, access charges paid to other telecommunications service providers, employee costs, general selling, administration and other expenses and capital commitments. In assessing our liquidity, management reviews and analyzes our current cash balances, trade receivables, trade payables, capital expenditure and operating expense commitments, interest and debt payments and other obligations.

Cash Flows

The following table summarizes our cash flows for the financial years ended March 31, 2016, 2017 and 2018:

	Year ended March 31,		
	2016	**2017**	**2018**
		US$ (in millions)	
Net cash generated from operating activities	51.2	31.2	51.6
Net cash generated from/(used in) investing activities	(32.3)	(21.4)	(29.9)
Net cash generated from/(used in) financing activities	(28.0)	(32.1)	(35.7)
Net increase/(decrease) in cash and cash equivalents	(9.0)	22.3	(14.0)

Net cash provided by/(used in) operating activities

Net cash provided by our operating activities was US$51.6 million in the year ended March 31, 2018. This was derived from our profit after income tax of US$4.9 million, with adjustments for income tax charge and certain non-cash items consisting primarily of depreciation and amortization of property and equipment and finance cost. We experienced a net working capital outflow due to a decrease in deferred revenue of US$36.2 million, a decrease in trade and other payables of US$8.3 million, and an increase in trade and other receivables of US$21.0 million.

Net cash provided by our operating activities was US$31.2 million in the year ended March 31, 2017. This was derived from our net loss after income tax of US$236.6 million, with adjustments for income tax credit, loss on disposal of discontinued operations and certain non-cash items consisting primarily of depreciation and amortization of property and equipment, impairment of goodwill. We experienced a net working capital outflow due to a decrease in deferred revenue of US$55.3 million, a decrease in trade and other payables of US$22.2 million, and an increase in trade and other receivables of US$16.7 million.

Net cash provided by our operating activities was US$51.2 million in the year ended March 31, 2016. This was derived from our profit after income tax of US$20.8 million, with adjustments for income tax credit and certain non-cash items consisting primarily of depreciation and amortization of property and equipment and finance cost. We experienced a net working capital outflow due to a decrease in deferred revenue of US$42.2 million, a decrease in trade and other payables of US$1.1 million and an increase in trade and other receivables of US$32.3 million.

Net cash provided by/(used in) investing activities

Net cash used in investing activities was US$29.9 million in the year ended March 31, 2018, consisting almost entirely of purchase of property, plant and equipment and intangibles.

Net cash used in investing activities was US$21.4 million in the year ended March 31, 2017, used almost entirely for the purchase of property, plant and equipment and intangibles.

Net cash used in investing activities was US$32.3 million in the year ended March 31, 2016, used almost entirely for the purchase of property, plant and equipment and intangibles.

Net cash provided by/(used in) financing activities

Net cash used in financing activities was US$35.7 million in the year ended March 31, 2018, consisting primarily of the US$24.5 million in interest payment of the GCX Secured Notes and US$10.0 million in repayment of revolving credit facility.

Net cash provided by financing activities was US$32.1 million in the year ended March 31, 2017, including US$15.0 million of dividend to parent company, the US$24.5 million in interest payment of the GCX Secured Notes, the US$1.4 million repayment of finance lease liabilities and US$10.0 million proceeds of revolving credit facility.

Net cash used in financing activities was US$28.0 million in the year ended March 31, 2016, consisting primarily of the US$24.5 million in interest payment of the GCX Secured Note sand the US$1.5 million repayment of finance lease liabilities.

Capital Expenditures and commitments

For the financial years ended March 31, 2016, 2017 and 2018, our payments for purchase of property, plant and equipment and intangibles totaled US$32.3 million, US$21.4 million and US$30.0 million, respectively. We have two main categories of capital expenditures: (1) maintenance capital expenditures, including investments to increase capacity of the GCX Global Network, and (2) capital expenditures to increase the geographic coverage of the GCX Global Network.

The estimated value of contracts remaining to be executed on capital account (net of advances) is US$12.7 million as of March 31, 2018.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements which are reasonably likely to have a current or future material effect on our results of operations or financial condition.

Quantitative and Qualitative Disclosures about Market Risk

Foreign Exchange Risk

Currency risk as defined under IFRS 7 arises on financial instruments being denominated in a currency that is not the functional currency of the entity and that are monetary in nature.

We operate internationally and are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the euro and British pound. We manage this risk by mostly transacting in US$. Most of the capacity sale and purchase contracts and service revenue contracts are in US$ so are the long terms operating contracts including marine maintenance, landing station charges. The capex is also largely agreed and settled in US$. The exposure to local currency is primarily on account of employee related and selling, administration and other costs. We do not have any formal currency hedging policy as most of the transactions are transacted in US$ and we do not enter in to any derivatives including forward contracts.

Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. Our interest rate risk arises from borrowings. The company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in IFRS 7, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Credit Risk

Credit risk encompasses the direct risk of default, the risk of deterioration of creditworthiness as well as concentration risks. It principally arises from deposits with banks, loans and receivables, and credit exposures to customers, including outstanding receivables. Our trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals and periodic monitoring the creditworthiness of customers to which we grant credit terms in the normal course of business. Our customers primarily comprise of carriers and other corporate customers which are high value creditworthy companies and government controlled companies. The utilization of credit limits is regularly monitored.

We also maintain an allowance for impairment of trade receivables based upon the expected collectability of accounts receivables. Moreover, the interest bearing deposits are with banks and financial institutions of reputation, good past track record and high quality credit rating.

We have potential concentrations of credit risk from our accounts receivables, cash and cash equivalents. We maintain cash and cash equivalents with credit worthy banks and financial institutions and review cash and cash equivalents on an on-going basis. As of March 31, 2018, 2017 and 2016, we maintained US$47.6 million, US$62.9 million and US$83.4 million in cash and cash equivalents with various banks and financial institutions.

OUR CORPORATE HISTORY AND STRUCTURE

GCX Limited was incorporated in Bermuda on March 20, 2014 and is a wholly owned subsidiary of Global Cloud Xchange Limited (the "*Issuer*"), which was incorporated in Bermuda on March 19, 2014. The Issuer is holding company that conducts no business operations of its own and has no significant assets other than the equity interests it holds in GCX Limited. The Issuer was acquired by RGBV on March 26, 2014. The Issuer is a 100.0% owned subsidiary of RGBV, a Netherlands private company with limited liability, which is a wholly owned subsidiary of RCOM. RCOM is listed in India on the BSE Limited and the National Stock Exchange of India Limited and is one of India's largest telecommunications service companies providing wireless, wire line, long- distance, voice, data, video and internet communications services. RCOM is part of the Reliance Group established a pan-India, Next-Generation, digital network that is capable of supporting best-of-class services spanning the entire communications value chain, covering over 21,000 cities and towns and over 400,000 villages. Reliance Communications owns and operates the world's largest Next-Generation IP-enabled connectivity infrastructure, comprising over 280,000 kilometers of fiber optic cable systems in India, the USA, Europe, Middle East and the Asia-Pacific region, and is one of India's largest business groups which has a significant presence in the telecommunications, financial services, entertainment, energy and infrastructure sectors. We were formed as part of the rebranding of certain businesses of RGBV as "Global Cloud Xchange," consolidating the businesses of what was previously named FLAG Telecom Group Limited ("*FLAG*"), Reliance Vanco Group Limited ("*Vanco*") and Yipes Holdings, Inc. ("*Yipes*").

In 2004, the Reliance Group acquired and, in 2008, re-named FLAG as Reliance Globalcom Limited ("*RGL*"). RGL owns and operates various undersea and terrestrial fiber assets around the world, including the FEA cable system linking Europe to Asia via the Middle East and India. Before being acquired by Reliance Group, FLAG was listed on the NASDAQ National Market and London Stock Exchange. FLAG was first established in 1993 by a group of telecommunications companies led by Bell Atlantic.

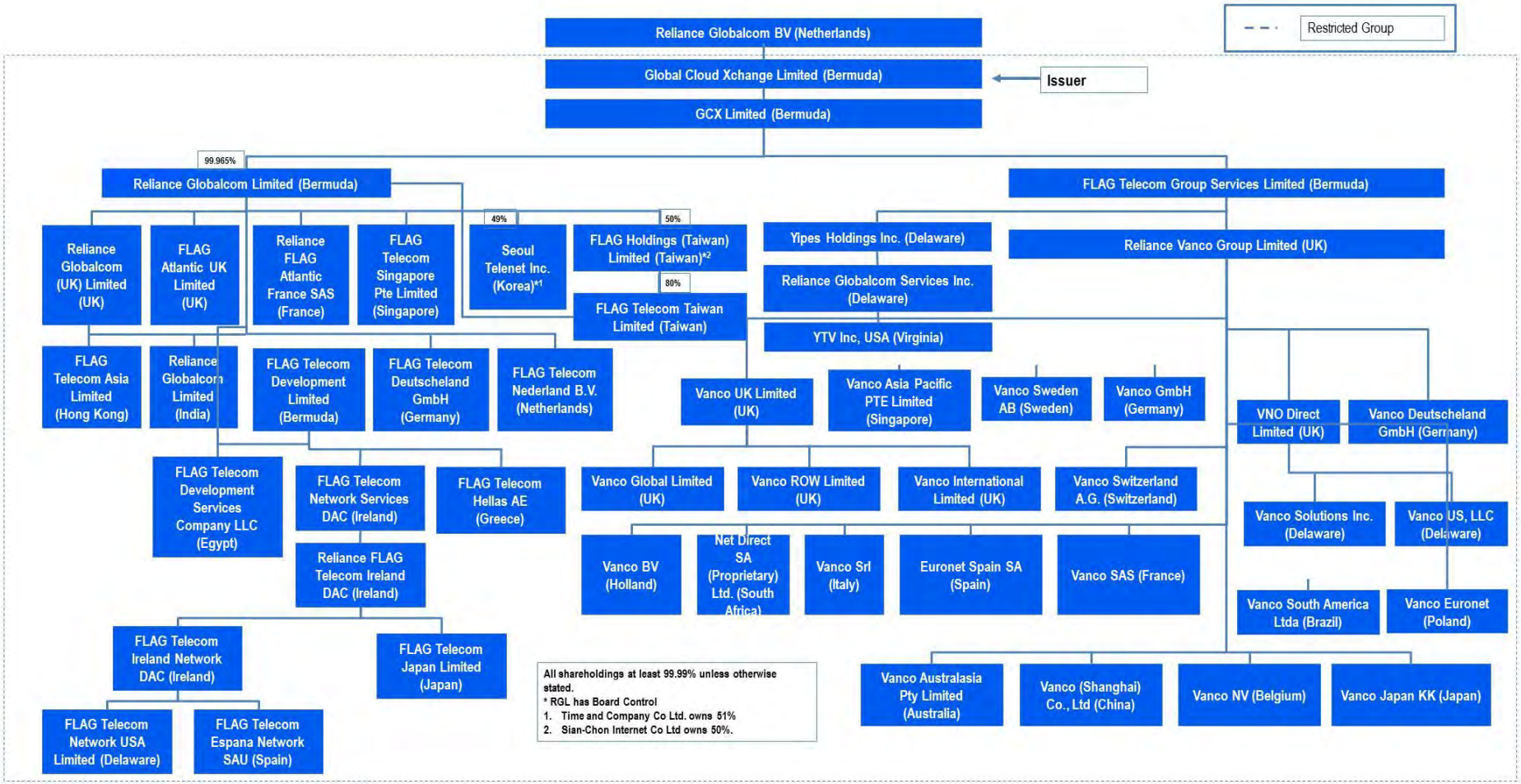
In 2007, RGL acquired Yipes through one of RGL's wholly-owned subsidiaries. Yipes is a US-based Ethernet Service provider which provides Ethernet and application delivery services for global enterprises. Established in 1999, Yipes has pioneered the Ethernet technology in metropolitan area networks.

In 2008, RGL acquired Vanco through one of its wholly-owned subsidiaries. Vanco is a global Wide Area Network Operator. Vanco provides enterprise clients, directly or through partners, with optimized fully managed network solutions. Vanco was established in 1988 and its original parent company, Vanco plc, was listed on the London Stock Exchange before it was acquired by RGL.

In 2014, we launched a new corporate identity and rebranded as Global Cloud Xchange to align with our strategic plan to deliver an integrated portfolio of infrastructure, data center and managed network services with sophisticated Cloud capabilities, especially across key emerging markets in Asia and the Middle East.

In 2017, following a strategic decision to exit the United States Ethernet business, the Company through its wholly owned subsidiary Reliance Globalcom Services, Inc. ("*RGSI*"), acquired a newly incorporated company named "Onyx NewCo LLC" ("*ONL*"), a Delaware company. In this respect, (i) as of on November 15, 2016, the customer contracts plus certain assets and liabilities of RGSI Ethernet Division were transferred to ONL and (ii) as on or about November 15, 2016 the entire issued share capital of ONL was acquired by GTT Americas LLC.

The following chart sets forth our corporate structure as of the date of this Offering Circular.



OUR BUSINESS

Overview

We are one of the leading global data communications service providers with one of the largest global subsea cable and terrestrial networks. We serve a diverse customer base, including major telecommunications carriers, large multinational enterprises and new media companies. Our wide range of products allows our customers to create, manage and connect their networks globally.

We provide our services through a global network of subsea cables, landing stations, terrestrial networks, IP network and managed network services platforms controlled by a fully redundant global network operating center ("***GNOC***") (collectively, the "***GCX Global Network***"). The GCX Global Network connects most of the major telecommunications hubs across the globe, from the developed markets in the U.S. and Europe to key emerging markets in the Middle East and Asia, including India and China. The principal elements of the GCX Global Network include:

- Five subsea cable systems operating on major global data traffic routes, namely, the Trans-Atlantic route, the Europe-Asia route, the Europe-Middle East & Egypt route and the Intra-Asia route. As of March 31, 2018, these cable systems had a total length of 68,698 route kilometers ("***rkm***") and landed at 46 landing stations in 27 countries;

- Owned and leased terrestrial networks with a total length of 9,510 rkm in over 25 metropolitan areas across 14 countries covering major business centers. These terrestrial networks are integrated with our subsea cable systems;

- A scalable global IP and multi-protocol label switching ("***MPLS***") network provided over 27 diverse owned and leased international subsea and terrestrial cable routes with 1224 direct inter-connections to 624 third party networks;

- A managed network services platform that connects approximately 22,000 sites in 150 countries through a combination of leased and owned infrastructure offered through a dedicated secure IP network; and

- Two GNOCs in Heathrow, London and Mumbai that act as the global network operational centers of the GCX Global Network, the functions of which include 24-hour monitoring, network operations, restoration coordination and technical support.

We offer a broad range of products and services including:

- Managed network services, which include network design, implementation, operations and management for enterprise customers and typically have contract periods of two to five years.

- Internet Protocol ("***IP***") services, which provide Internet and VPN point-to-multi-point connectivity and typically have contract periods of one year;

- Bandwidth capacity on the GCX Global Network that we sell in the form of indefeasible rights of use ("***IRUs***"), which are typically 15-year contracts paid for upfront, and annual operations and maintenance ("***O&M***") services related to these IRUs; and

- International Private Leased Circuits ("***IPLC***") services, which provide point-to-point connectivity and typically have contract periods of one to three years.

Our total revenue and profits have both declined during the past three financial years. For the years ended March 31, 2018, 2017 and 2016, our revenue was US$369.2 million, US$406.6 million and US$439.8, respectively, and our operating profit/(loss) for the corresponding years was US$29.9 million, US$(18.8) million and US$62.3 million.

We have principal offices in Mumbai, Hong Kong and London. As of March 31, 2018 we had 936 sales and support staff across four sales regions and 21 locations.

Our Strengths

We believe we have the following key strengths:

Attractive industry fundamentals

We believe that the global data communications services industry has attractive growth prospects driven by various factors, which include:

- the rapid increase of Internet users, particularly in emerging markets;
- consumer demand for faster broadband speeds;
- the increase in the number of connected devices such as smartphones, tablets and other IoE gadgets;
- growth in demand of data-intensive applications such as social networking, video, online gaming, file sharing and remote file storage; and
- the development and widespread implementation of Cloud computing technologies by enterprises that require high bandwidth and low-latency global networks.

We believe that our comprehensive range of product and service offerings and the scale and extent of the GCX Global Network places us in a position to benefit from the expected increase in demand in the data communications services industry.

Ownership and control of a leading global data communications services network

The GCX Global Network is distinguished by its geographic coverage and ability to provide both subsea and terrestrial connectivity to major telecommunications hubs. Our network connects most of the major telecommunications hubs across the globe, from the developed markets in the U.S. and Europe to the key emerging markets in the Middle East and Asia, including India and China.

Substantially all of the GCX Global Network is owned by us, giving us greater flexibility and freedom to:

- make network changes and upgrades in a shorter time frame;
- add new cables, spurs and PoP and to expand our terrestrial network in a more cost-efficient way;
- introduce and quickly implement new technologies for increasing capacity through the entire subsea cable system, for example upgrading from 100 Gbps to 400 Gbps per wave on specific segments;

- provide customers with seamless connectivity solutions across multiple routes, countries and continents; and

- maintain control over 100% of our available capacity, thereby eliminating internal price competition on the same cable system.

Highly diversified customer base

We have a diverse customer base, including major telecommunications carriers, large multi-national enterprises and new media companies. We believe that we have been successful in retaining a significant portion of our customers and in selling them additional services. As of March 31, 2018 our customer base included 340 customers, of which approximately 83% have been using our services for more than three years. For the financial year ended March 31, 2018, our top 20 customers, excluding RCOM and its subsidiaries, accounted for 36% of our service revenue and our largest customer accounted for 3.8% of our service revenue. Our customer base is also geographically diverse. For the financial year ended March 31, 2018, we generated 13.5%, 20.8%, 30.4%, 15.2%, and 20.0%, of our total service revenue, respectively, from India, the Middle East, Europe, the United States and Asia (excluding India and the Middle East).

Long term contracts with high revenue visibility

Revenue from bandwidth capacity sales in the form of IRUs is recognized on a straight-line basis over the contract period, typically 15 years. The related O&M revenue rate is also fixed at the outset of the contract and is billed annually and recognized over the period in which the service is provided. IPLC contracts typically have contract periods of one to three years, while IP services typically have contract periods of one year and managed network services typically have contract periods of two to five years.

Global organization led by an experienced management team with a strong track record of execution

Our senior management team and key personnel have extensive operating and industry experience in, and in-depth market knowledge of, the telecommunications industry. A majority of our senior management has more than 20 years of telecommunications industry experience in network operations, sales and marketing and business development. We also have senior management presence in key markets, such as India, Hong Kong, Japan, the Middle East, the U.K. and the U.S., which gives us the leverage of local expertise. Our management team has demonstrated the ability to operate successfully across multiple cultures, jurisdictions and regulatory regimes.

Our global presence allows us to be close to our principal customers. As of March 31, 2018, we had 108 sales and sales support staff across 28 locations. We also had 618 engineering and operational support staff across 18 countries. Our back office staff which includes finance, customer service for managed network services, information technology, procurement and human resources is primarily based in Mumbai, which is a relatively low-cost location.

Our CEO, Mr. William Barney, is a veteran of the telecommunications industry, with a career spanning more than 15 years in Asia and 10 years at the level of Chief Executive Officer at Pacnet Limited ("*Pacnet*"). Under the leadership of Mr. Barney, we launched a new corporate identity and rebranded as Global Cloud Xchange, so as to align with our strategic plan to deliver an integrated portfolio of infrastructure and managed network services with sophisticated Cloud capabilities, especially across key emerging markets in Asia and the Middle East.

Both our Chief Financial Officer, Mr. Rory Cole, and our Chief Operating Officer, Mr. Wilfred Kwan, have extensive experience in the telecommunications industry. Mr. Cole's experience includes complex corporate and financial restructurings including that of MCI/Worldcom. He also played a major role in Verizon's acquisition of MCI as the Chief Operating Officer of Verizon business' international business unit.

Mr. Kwan has served as the Chief Technology Officer of Pacnet and Asia Netcom, and also as Senior Vice President of Network Operations of Asia Global Crossing.

Strong financial position with operating cash flows adequately covering capital expenditures

We generate substantial cash flow from operations, which we have used to finance our capital expenditures. During the last three financial years, we generated a total of US$134.01 million in net cash generated from operating activities. During the same period, we used US$83.7 million for the purchase of property, plant and equipment and intangibles. As a result of our strong operating cash flow generation and disciplined capital expenditure management, we have been able to maintain a low debt gearing. We expect to continue to use our cash flow from operations to service our indebtedness.

In the financial years ended March 31, 2018, 2017 and 2016, we recorded US$51.6 million, US$31.2 million and US$51.2 million, respectively, of net cash generated from operating activities.

Our Strategies

We intend to maintain our financial strength and generate strong operating cash flows while making investments to drive sustained revenue and profit growth.

Expand the GCX Global Network to strengthen our market position

We believe that further development will allow us to realize further economies of scale and savings in network costs, enhancing our ability to provide our customers with products and services with higher quality, and adding several important business hubs to the GCX Global Network.

Focus on the "Emerging Markets Corridor"

Our GCX Global Network links major hubs in the fast growing emerging markets in the Middle East and Asia, such as Hong Kong, which are driving the growth in data traffic. Our GCX Global Network connects these hubs to the large markets in Western Europe and North America, creating what we believe can be called the "Emerging Markets Corridor." Nearly half of the world's population is reachable within a short distance from India's borders, giving the country a strategic edge in the new Digital Era. The demand for international bandwidth connected to Asian countries is expected to increase more than ten-fold between 2017 and 2023, while bandwidth linking Europe to the Middle East and the rest of Asia is forecast to grow seven-fold over the same period. We plan to continue to focus our efforts in strengthening and expanding our network and customer base along the Emerging Markets Corridor.

Enhance our products and service capabilities to establish leadership position as a global Cloud exchange

We intend to broaden our suite of existing products and services to take advantage of the rapid growth in Cloud computing and the corresponding growth in internet traffic. We plan to address the requirements of our enterprise customers by providing a full range of Cloud services at our Cloud nodes, including (1) infrastructure as a service ("IaaS"), (2) platform as a service ("PaaS"), (3) software as a services ("SaaS") and (4) access to public Cloud services. We intend to offer products and capabilities that can ease the migration from premises-based services to Cloud, allowing them to interface both with GCX and public Clouds, and to offer tools and connectivity to facilitate the adoption of the Cloud services. We believe that the extent and connectivity of the GCX Global Network and data centers, as well as our established customer base, will allow us to provide these services with low incremental capital expenditure. These new products and services, with one-stop shopping capability, will enable greater utilization of our network, supplement our recurring revenue and should reduce customer churn. With this broadened set of products and services, we intend to target clients in the technology sector who are expected to increase their IT spending, specifically investing in Cloud services, over the next decade.

Enhance the effectiveness of our sales platform

In order to enhance our product and service capabilities and improve productivity, we have implemented changes to our sales organization, which included recruiting additional sales people with technology expertise and launching our new sales compensation policy. Sales staff are compensated on the incremental recurring revenue growth generated by them. We believe that this structure helps us maintain our recurring revenue and increase productivity by providing employees with incentives to meet or exceed their target sales goals.

Strengthen the GCX brand

We launched the GCX brand in March 2014 to consolidate the various products and services offered under different brands by RCOM's global subsidiaries including as RGL, Vanco and Yipes. We have been strengthening the GCX brand through extensive interaction with media, including social media, industry analysts and customers. We also provide a corporate Internet website in order to provide a rich and dynamic user experience. The website links into our interactive customer portals. In addition, we made key changes to our enterprise proposals, such as customizing these proposals with interactive media and executive participation, to distinguish ourselves from competitors and demonstrate attention to detail. Through targeted industry events, advertising, exhibitions and media venues, we plan to continue to showcase the GCX brand and our leadership.

Manage costs, increase cash flows and maintain flexibility in capital expenditure

We have a proven track record of managing our costs. Historically, our operating cost base has declined, with net operating costs (which comprise network operation expenses, employee cost and other expenses) decreasing by 7.4% from US$277.1 million for the year ended March 31, 2017 to US$256.7 million for the year ended March 31, 2018 on an aggregate basis. We will continue to identify and implement cost efficiency measures.

We have improved the utilization of our subsea and terrestrial networks and generated additional cash flow by selectively disposing of surplus capacity across our existing subsea cable networks on the Trans-Atlantic and Middle Eastern routes. We plan to take a tailored approach to capital expenditures on our subsea networks, by considering additional demand and possibly reviewing potential partnership structures.

Recent Developments

Purchase of data centers

GCX and its subsidiaries have entered into a term sheet on December 28, 2017, with RCOM and its subsidiaries for the acquisition of certain data centers, subject to lender consent, as applicable. GCX is in the process of obtaining these approvals. Further, GCX has obtained a legal opinion to ascertain that there are no associated uncertainties in respect of consummation of the abovementioned legal term sheet and the same is also not impacted by the application filed by the creditor against RCOM, RTL and RITL under Insolvency and Bankruptcy Code 2016, against which RCOM, RTL and RITL have received a stay order from National Company Law Tribunal.

As of March 31, 2018, the GCX Group has outstanding trade receivables amounting to US$135.4 million from RCOM and its subsidiaries and advances to vendors includes receivables of US$8.5 million from RCOM and its subsidiaries.

India Landing and Completion of India Data Center for Eagle Subsea Network

On June 19, 2018 we announced a new milestone in our "Cloud & Fiber" initiative with the confirmation of our proposed new India landing and completion of IDC-5, India's largest data center, in preparation for the new Eagle Subsea Network, which is on track to land in India in 2020.

The new IDC-5 Data Center, located at Dhirubhai Ambani Knowledge City (DAKC) in Mumbai, has the capacity of 40MW over almost 450,000 square feet of built up area and 6000 rack capacity. IDC-5 is a green data center and IGBC pre-certified for Gold rating. With a best-in-class design, IDC-5 has a separate utility block for High Voltage equipment and DG sets. It is a purpose-built facility with robust floor loading of 1200 Kg/Sqm and designed for Earthquake Seismic Zone 4.

The Eagle express cable system, when it lands in Mumbai, will drive 120Tbps of capacity towards Hong Kong and 120Tbps towards Europe. The new network will be based on state-of-the-art 100G technology using next generation Coherent Submarine Fiber.

Eagle will be the fastest Mumbai to Hong Kong route, avoiding the outage-prone Malacca Strait. In addition, Eagle will also be the fastest submarine route between India and key technology centers across the Middle East and Europe. The Eagle cable system will create a next generation IP and Cloud environment across the Emerging Markets Corridor into GCX's Cloud ecosystem, connecting data centers and economies along the route to its India hub.

Our Products and Services

We derive our revenues primarily from the following products and services: (i) bandwidth capacity on the GCX Global Network that we sell in the form of indefeasible rights of use ("*IRUs*") and related operations and maintenance services; (ii) International Private Leased Circuit ("*IPLC*") capacity; (iii) Internet Protocol ("*IP*") services, including IP transit and IP Virtual Private Network ("*VPN*") services and (iv) managed network services, including network design, implementation, operation and management services and global Ethernet services.

The following table shows the revenue and percentage contribution of our various products and services to our total service revenue and total revenue for the periods indicated:

	For the Year Ended March 31, 2018	Percentage Contribution to Service Revenue	Percentage Contribution to Total Revenue
	US$ (in millions)	%	%
Managed Network Services	107.2	29.6	29.0
Bandwidth Capacity	85.0	23.5	23.0
Internet Protocol	61.4	17.0	16.6
International Private Leased Circuits and Others	62.4	17.2	16.9
Operation and Maintenance Charges	45.8	12.7	12.4
Total	361.9	100%	98%

Managed Network Services

Network Design, Implementation, Operation and Management Services

We provide tailored managed solutions for customers based on their specific requirements. Our managed network services include design, procurement and installation of the network, as well as network monitoring, diagnostics and support for voice and data applications. We also offer network security services to maintain the security of networks that are connected to the public internet, including firewalls, proxies, log management and vulnerability assessments. As of March 31, 2018, we had 140 enterprise customers using our managed services, located in the United States, United Kingdom, France, Germany, Singapore and Australia. Typically, contracts providing such services have a term of three to five years.

In order to provide managed services, we operate as a virtual network operator, delivering services without owning circuitry and on a technology-neutral basis. Our virtual network currently extends to over 22000 sites across 150 countries. These services are typically required by geographically diverse enterprises for whom it is not economically or otherwise viable to own and operate telecommunications infrastructure in order to meet their network requirements.

Managed MPLS VPN

Our Managed MPLS VPN service provides high performance WAN connectivity that enables seamless communications between various sites running critical business applications. We provide (a) secured VPN service through standard based MPLS VPN technology that isolates public Internet, (b) simplified network planning and expansion and (c) fully managed services including design and management.

Managed LAN service

We provide Managed LAN services to our customers, which involves proactive monitoring of LAN devices in our customer's network and failure management.

IP Services

IP Services offer point to multi-point connectivity over the GCX network. Like IPLC, these services are sold at different bandwidth speeds based on the size of the IP port. IP Services are typically sold for a period of one year and provide for monthly or quarterly payments. IP Services can be further classified as follows:

IP Transit

IP Transit services enable customers to access the Internet at varying speeds from any city on the GCX Global Network. This service is facilitated by our peering arrangements we have developed with major local content providers, carriers and ISPs at most major Internet traffic exchanges, which are voluntary interconnection arrangements between two networks controlled by different operators, which enable their respective customers to exchange traffic (typically IP or Internet), without passing through a third transit network. See "— The GCX Global Network — IP Network."

We also offer managed dedicated internet bandwidth to our enterprise customers. We manage these services through network interface devices located at our customer sites, which give the GNOC visibility to important network parameters, enabling proactive management and stringent service level guarantees.

IP VPN

IP VPN services provide international multi-service IP WAN connectivity to customer sites. IP VPN services enable businesses to replace multi-point networks with a single, cost-effective solution that simplifies the converged transmission of voice, video and data. Convergence to a single platform can be achieved while maintaining the quality of service and security levels associated with traditional technology. IP VPN services allow customers to prioritize traffic so that high priority applications, such as voice, take precedence over low priority applications.

Bandwidth Capacity

We sell bandwidth capacity in the form of IRUs, which provide customers with a fixed amount of bandwidth between any two landing stations or PoPs on the GCX Global Network. IRUs are typically sold for a period of 15 years and the payment for the entire IRU contract is primarily collected upfront.

IPLC

IPLCs are dedicated connections between two points on the GCX Global Network. IPLCs are typically sold with SLAs which provide for a minimum amount of time for which the service will be available to the customer. IPLC services are available in a range of connection speeds. IPLCs are typically sold for a period of one to three years and provide for monthly or quarterly payments.

O&M Services

IRU generally includes an associated O&M component relating to our obligation to operate and maintain the bandwidth supplied. The O&M service is billed annually in advance, and typically constitutes 3-4% of the IRU sale value paid annually.

Cloud Services

We introduced Cloud services at our Cloud nodes, which are physical setups that consist of servers, storage devices, security measures (firewalls and packet inspection), network elements (routers and switches), WAN optimization devices (which enhance user experience and performance) and supporting hardware, located at our existing PoPs and co-location facilities. With our Cloud services, we believe we will be able to assist customers in building and deploying Cloud infrastructure and help business entities manage their web applications.

Through our managed network services, we currently provide VPN and WAN services to enterprise customers, while our customers' premises are already connected to our PoPs. Levering such existing relationships, we eased their migration from premises-based services to clouds and allow them to interface with third-party clouds, which we believe will facilitate the adoption of Cloud services. We believe that the extent and connectivity of the GCX Global Network and our established customer base has allowed us to provide these services with a relatively low capital expenditure.

The GCX Global Network

The GCX Global Network consists of the subsea cable network, the terrestrial network, the IP network and the managed network services platform, controlled through the GNOC.

Subsea Cable Network

The subsea cable elements of the GCX Global Network comprise a comprehensive global telecommunications network that supports various forms of connectivity related to Internet, data and multimedia communications. It is designed to accommodate growth in bandwidth demand with minimal incremental capital expenditure. This is made up of five fiber-optic subsea cable systems, which operate on major global data traffic routes with landing stations across 27 countries, as follows:

- FLAG Europe-Asia ("*FEA*") connecting the United Kingdom to Japan through the Mediterranean, Egypt, India, Malaysia, Thailand, Hong Kong, China, South Korea and other Middle East countries;

- FLAG Atlantic-1 ("*FA-1*") connecting the east coast of North America to the United Kingdom and France;

- FLAG North Asia Loop ("*FNAL*") connecting Hong Kong, Taiwan, South Korea and Japan;

- FALCON comprising a loop around the Persian Gulf countries, with connections to India and Egypt, as well as Yemen and Saudi Arabia; and

- HAWK connecting Egypt to France, and Cyprus via the local spur.

The following table sets forth certain information regarding each of our subsea cable systems:

System	Landing Stations Locations	Number of Cities Connected	Length (rkm)
FEA	UK, Spain, Italy, Egypt, Jordan, Saudi Arabia, Fujairah, India, Malaysia, Thailand, Hong Kong, PRC, South Korea, Japan	15	28012
FA-1	UK, USA, France	4	14491
FNAL	Hong Kong, South Korea, Japan, Taiwan	4	9504
FALCON	Oman, Dubai, Qatar, Bahrain, Saudi Arabia, Kuwait, Iraq, Iran, India, Sri Lanka, Maldives, Yemen, Sudan, Egypt	19	12357
HAWK	France, Cyprus, Egypt	3	4334
Total		**46**	**68698**

Additionally, we also own capacity on certain third party subsea cable systems, in order to provide resiliency to our own network or to complete sections of certain routes, including routes (i) from Japan to the United States, (ii) from France to Singapore and (iii) from Singapore to Hong Kong.

Terrestrial Networks

Our terrestrial networks comprise (i) our cable landing stations connected to our PoPs, (ii) terrestrial fiber connecting PoPs in different metropolitan locations, and (iii) "metro rings" connecting PoPs within the metropolitan area. We also lease capacity to connected PoPs between certain cities. We have metro rings in 5 cities, New York, London, Paris, Tokyo and Singapore. These terrestrial networks include:

a) the European Network with a total length of 3,875 rkms and 13 PoPs in the United Kingdom, France, Germany, the Netherlands, Italy and Spain, including metro rings in London and Paris;

b) the U.S. Network with a total length of 1131 rkms and 7PoPs in 7 cities, including Philadelphia, Chicago, New York, San Francisco, Denver, Newark, Washington DC, Houston, San Diego, Dallas, Seattle, Boston, Frankfurt, Stamford, Wilmington and Ashburn;

c) the Asia Network with a total length of 2785 rkms and 16 PoPs in Japan, Singapore, Hong Kong, South Korea and Taiwan, including metro rings in Tokyo and Singapore and an overland crossing in Thailand for FEA; and

d) four terrestrial crossings between the Mediterranean Sea and the Red Sea in Egypt linking Suez and Alexandria with a total length of 1720 rkms.

IP Network

In addition to the subsea cable network and the terrestrial network, the GCX Global Network also owns and operates a resilient and scalable global IP and multi-protocol label switching ("*MPLS*") network and provides wholesale Internet, Ethernet and VPN services. This network uses approximately 27 diverse international subsea and terrestrial cable routes, including our own subsea and terrestrial cables and other third party cables, which provide route diversity.

This network is designed mainly for use by new media companies, telecommunications companies and large enterprises. The network offers high data speeds with high availability and low latency across the globe at competitive prices. This network includes 1224 direct inter-connections 624 third party networks around the world with a single Autonomous System ("*AS*") number globally, which provides maximum flexibility and

optimizes routing and handover of data traffic. Its dual global ring network architecture enables flexibility to exchange traffic with other networks at different interconnection points and provides the benefit of additional diversity on third party networks.

Managed Network Services Platform

Our managed network services platform connects approximately 22,000 sites in 150 countries through a combination of leased and owned infrastructure. These managed network services are offered through a dedicated secure IP network. This dedicated enterprise backbone has 17 service integration points ("*SIPs*"). Customer sites are interconnected via various access providers with the nearest SIP. Traffic between the SIPs, i.e. between different geographies, is carried over the dedicated SIP backbone. Customers' critical sites are connected with more than one access circuit from different local service providers, which provides diversity with automatic connection to redundant links in case of network failures. The SIPs are capable of providing MPLS/IP VPN services with multiple classes of services as well as other advanced services based on customer needs. The SIPs are located in London, Hong Kong, Singapore, Chicago, New York, New Jersey, Paris, Madrid, Miami, Los Angeles, Frankfurt, Brussels, Amsterdam, Barcelona, Sydney, Perth and Auckland.

Global Network Operations, Customer Operations and IT Network

GCX has a global network operations center ("*GNOC*"), based in Mumbai, India and London. In addition to being the operational center, the GNOC also provides customer technical services, including service provisioning, restoration, network assurance and support.

In order to maintain operational continuity, certain key network and service management platforms and systems are replicated in New York and Hong Kong, which function independently but can also maintain the integrity of the GCX Global Network during a potential natural disaster affecting the GNOC. All the network elements of the GCX Global Network are managed through a separate, resilient and secure network to ensure continuous network management in both our terrestrial and subsea network systems in times of maintenance, equipment failure or fiber cuts.

Customers

We have a diverse customer base, including major telecommunications carriers, such as Verizon and Telstra, large multi-national enterprises, such and Hilton and Euromaster, and new media companies. We believe that we have been successful in retaining a significant portion of our customers and in selling them additional services. As of March 31, 2018 our customer base included 340 customers, of which approximately 83% have been using our services for more than three years.

For the financial year ended March 31, 2018, our top 20 customers, excluding RCOM and its subsidiaries, accounted for 36% of our service revenue and our largest customer accounted for 3.8% of our service revenue. Our customer base is also geographically diverse. For the financial year ended March 31, 2018, we generated 13.5%, 20.8%, 30.4%, 15.2% and 20.0% of our total service revenue from India, Middle East, Europe, the United States and Asia (excluding India and the Middle East), respectively.

Sales, Marketing and Product Development

We have 936 sales and support staff across four sales regions and 21 locations. As of March 31, 2018, the geographic distribution of our sales and support staff is shown in the table below:

Region	Locations	Number of Sales and Support

		Employees
United States	New York, Boston, Philadelphia, Chicago, Reston, Denver	41
Europe	Italy, Netherlands, Germany, Belgium, UK, France, Spain	169
Middle East	Egypt, Saudi Arabia, UAE	16
Asia	India, Singapore, Hong Kong, Taiwan, PRC, South Korea, Japan, Australia	710
Total		**936**

The following table sets forth a breakdown of our sales force by country:

Country	As of March 31, 2018
United States	14
United Kingdom	13
France	10
Spain	1
Germany	8
Netherlands	7
Italy	8
United Arab Emirates	10
India	5
PRC	1
Hong Kong	10
Singapore	3
Taiwan	3
South Korea	5
Japan	2
Australia	8
Total	**108**

In order to enhance our product and service capabilities and improve productivity, we initiated implementing changes to our sales organization, which include recruiting additional sales people with technology expertise and launching our new sales compensation policy. Under our new policy, the sales staff is no longer compensated solely based on the contract value sold but rather on the incremental recurring revenue growth generated by them. The purpose of this new policy is to align our sales force with our recurring revenue growth and productivity targets.

Competition

The data communication services industry is highly competitive. Our success depends on our ability to compete against a variety of other data communications services and telecommunications providers, including regional and global operators. We compete primarily on the basis of geographical reach, network performance, quality and pricing of our products and services. Our principal current and potential future competitors include:

- *Established Telecommunications Companies* — We compete with the well-established national telecommunications companies in every jurisdiction in which we operate as well as certain global telecommunications companies. Many of the national telecommunications companies traditionally have a monopolistic or dominant presence in their markets. Some examples include Etisalat, Saudi Telecom,

Telecom Egypt and China Telecom. Global telecommunications companies compete with us in all our main markets and include established operators such as BT, Cable & Wireless, Verizon, AT&T, Tata Communications, Orange and NTT Communications.

- *Large IT Services Companies* — In addition to established telecommunications companies, we also compete with large IT services companies, who provide managed network services or Cloud computing solutions to their customers in addition to IT solutions. These include companies such as IBM, Hewlett Packard, Fujitsu, Accenture and NTT Communications.

- *Subsea Cable Operators* — Subsea cable system operators include both consortium and private cable system operators. On a route by route basis, the principal subsea cable systems that compete with us can be described as set forth in the following table:

Route	**Principal consortium subsea cable systems**	**Principal privately owned cable systems**	**Principal cable systems known to be under construction**
Trans-Atlantic	TAT-14, Columbus III	AC-1, AC-2, Apollo, Hibernia Atlantic, Tata-TGN Atlantic	Hibernia Express
Intra-Asia	SMW3, APCN-2	Reach NAL, EAC-C2C (Pacnet), Tata-TGN Intra-Asia	ASE, SJC and APG
Europe - Middle East and Egypt	SMW3, SMW4, IMEWE, EIG	TGN Eurasia	Gulf Bridge International, TGN-Gulf (India-West)
Europe - Asia	SMW3, SMW4	Tata Indicom-TGNEurasia (India-West), i2i (India East)	—

Employees

As of March 31, 2018, we had 936 employees. The following table sets forth a breakdown of our employees by function:

Category	Year ended March 31, 2018	As of June 30, 2018
Finance	120	119
Marketing	11	10
Operations	618	621
Human Resources	18	17
Legal	10	10
Product Management	43	40
Management	8	9
Sales	108	108
Total	936	934

The following table sets forth a breakdown of our employees by geographic location:

Region	Year ended March 31, 2018	As of June 30 2018
Americas	41	40
APAC (Other than India)	86	85
India	624	626
EMEA	185	183
Total	936	934

The following table sets forth a breakdown of our employees by country:

Country	As of March 31, 2018
United States	40
Brazil	1
United Kingdom & Ireland	80
France	29
Spain	4
Belgium	1
Germany	26
Netherlands	12
Italy	17
Egypt	1
United Arab Emirates	15
India	624
Hong Kong	42
Singapore	8
Taiwan	6
South Korea	9
Japan	6
Australia	14
China	1

Total	936

Sales Organization Restructuring

In order to enhance our product and service capabilities and improve productivity, we have implemented changes to our sales organization, for example sales staff is no longer compensated solely based on the contract value sold but also on the incremental recurring revenue growth generated by them. This structure is designed to drive our recurring revenue and increase productivity by providing employees with incentives to meet or exceed their target sales goals.

Suppliers and Contractors

We work closely with our suppliers to ensure the availability of components and technology at commercially acceptable prices. We procure subsea cable system equipment, optical and electronic equipment, access tails and subsea maintenance and construction equipment, among others, from our various suppliers. The following table sets forth our major suppliers during the last three financial years:

	Total Network Operation Expenses Year ended March 31,		
Supplier Name	**2016**	**2017**	**2018**
		(US$ millions)	
Verizon	9.73	10.02	4.81
Alcatel Lucent Submarine	15.58	14.29	14.10
Emirates Telecom Corp Etisalat	10.08	5.32	6.34
Level 3 Communications Ltd	4.34	3.98	3.05
Tata Communications Ltd	6.81	7.86	7.64

We seek to reduce our dependence on one particular customer by diversifying our supplier base. For the year ended March 31, 2018, our largest supplier accounted for 8.25% of our total network operation expenses.

Regulatory, Environmental and Legal Matters

Licenses

Currently, the international telecommunications infrastructure industry is not a significantly regulated industry given a significant portion of the assets are in international waters, which are not regulated by any jurisdiction. However, our on-shore assets and related service revenue may be subject to regulation and the regulatory environment varies substantially from country to country. In certain jurisdictions, we are required to obtain and maintain licenses and permits or registrations or enter into partnerships with local operators to offer our services and products. The following table sets forth the licenses and registrations that we hold as of March 31, 2018, in the jurisdictions in which we offer our services and products:

(a) Reliance Globalcom Limited (and subsidiaries)

Country	**License**	**Regulatory Body**	**Validity**
France	Telecommunications Network Operations	• L'Autorité de Régulation des Communications Electroniques et des Postes	—

Country	License	Regulatory Body	Validity
	License		
Hong Kong	Unified Carrier License	• Office of the Communications Authority	15 years (will expire on 30 May 2031)
Japan	Type I Carrier License	• Ministry of Public Management, Home Affairs, Post and Telecommunications	—
South Korea	Facilities Based Telecom License and Special Telecom Business Registration Certificate	• Ministry of Communications and Information	—
Singapore	Facilities Based Operator License	• Info-Communications Media Development Authority	15 years (will expire on 31 March 2030)
Taiwan	1. Type-I License 2. Type-II License	• National Communications Commission	1. 15 years (will expire on 26 September 2032) 2. 3 years (will expire on 6 May 2020)
United Kingdom	General Authorization to Provide Electronic Communications Services and Networks	• Office of Communications	—
United States	License to land subsea cable in the United States	• Federal Communications Commission	25 years from 2001, i.e. the date the cables were put in place

(b) Vanco and subsidiaries

Country	License	Regulatory Body	Validity
Belgium	Notification To Provide VOIP Services, Carrier Select/Preselect, Lease Line Service and Internet Access	• Institut belge des services postaux et des telecommunications (IBPT)	—

Country	License	Regulatory Body	Validity
Canada	License to Provide International Telecommunication Service	• Canadian Radi-Television and Telecommunications Commission	—
Finland	General Authorization to Operate Public Telecommunication	• Viestintavirasto Kommunikationsverket (FICORA)	—
France	General Authorization to Operate Public Telecommunication	• Autorite De Regulation des Communications electroniques et des Postes (ARCEP)	—
Germany	Notification of Operation of Public Telecommunications and of the Provision of Publicly Available Telecommunications Services	• Telekommunikationsdiensteanbieter	—
Hungary	General Authorization to Operate Public Telecommunication	• National Media and Infocommunications Authority	—
Ireland	Notification of Local, National and International Voice Services/Calling Card Services, Wide Area Network Services, Wireless Networks Services and Direct Internet Access, Managed Wide-area Network Services, Resale Data Network Services	• Commission for Communications Regulation	—
Japan	Telecom Service Provider Registration	• Kanto District Telecommunication Bureau	—
Lithuania	General Authorization to Provide Electronic Communications Services and Networks	• Communications Regulatory Authority of the Republic of Lithuania	—
Luxembourg	Notification to Provide Lease Line, xDSL and MPLS	• Institute Luxembourgeois de Regulation	—
Netherlands	Notification as Supplier of Public Electronic	• Autoriteit Consument & Markt (ACM)	—

Country	License	Regulatory Body	Validity
	Communication Services and Networks		
Norway	Registration to Provide Public Telecommunication and Transmission Capacity	• Norwegian Post and Telecommunications Authority	—
Poland	General Authorization to Provide Electronic Communications Services and Networks	• Urzad Komunikacji Elektronicznej	—
Singapore	License No. 10700057P - non localized Internet Service reseller SBO License - Class 3 License No. 1395. Service Based Operator (Individual) License	• Info-Communications Media Development Authority	June 14, 2023
Spain	Type-C License	• Comision del Mercado de las Telecommunicaciones	June 21, 2019
Switzerland	General Authorization to Provide Electronic Communications Services and Networks	• Federal Office of Communications	—
United Kingdom	General Authorization to Provide Electronic Communications Services and Networks	• Office of Communications	—
United States	FCC 214 Authorization	• Federal Communications Commission	—

Legal and Administrative Proceedings

From time to time, we are party to various disputes and legal proceedings in the ordinary course of business or otherwise.

India Tax Litigation

GCX's subsidiary, Reliance Globalcom Limited, Bermuda, files its income tax return with the Income Tax Authorities of India as a non-resident to claim the refund of tax deducted by its customers in India. The Income Tax Authorities of India have disputed the claim of the Company on various grounds. In February 2015 and June 2015 Income Tax Appellate Tribunal ("*ITAT*") pronounced a favorable ruling for several financial years resulting in refunds paid to the Company of approximately INR 540 million (US$8.3 million equivalent). The Income Tax Authorities of India have subsequently appealed to the High Court to contest the ITAT order. The appeal is still in the admissions stage.

Savvis Litigation

This claim relates to termination charges totaling US$9.59 million, owed to Reliance FLAG Telecom Ireland DAC ("*RFTI*") by Savvis Communications Corporation ("*Savvis*"), under the terms of a series of orders for provision by RFTI of collocation space within its London PoP at London Hosting Centre. Savvis purported to terminate the applicable orders for breach (as well as the underlying agreement) by notice but RFTI has refuted any basis for such claim and the matter is now the subject of an arbitration under the aegis of the London Centre of International Arbitration. Since that date, Savvis has filed a counterclaim, now standing at US$20.0 million, alleging fraudulent misrepresentation, which has been heavily contested by RFTI as having no foundation in fact or law. The arbitration is at an advanced stage and, under the current timetable, would culminate in a hearing during November 2018. In parallel, the parties are currently engaged in discussions, designed to investigate any potential for a negotiated settlement of the claims. Should such discussions not result in a settlement, and an unfavorable ruling is then made against RFTI at the hearing, the financial consequences to RFTI would be material.

Environmental Matters

We are subject to numerous environmental laws and regulations in the jurisdictions in which we operate. We may be subject to clean-up costs, fines and third party claims if we are found to be in violation of such laws or regulations. Based on our understanding of the environmental laws, we are not aware of any material exposure or any breach committed by us.

Insurance

We maintain all usual and customary insurance generally maintained by global telecommunications infrastructure services companies as well as usual and customary director and officer liability insurance. As of the date of this Offering Circular, we maintain insurance for property damage, marine transit, marine liabilities, personal accident and travel, public product liability, motor and airside liabilities with independent third parties. Certain assets such as fiber-optic cable and some types of losses, such as losses resulting from wars, acts of terrorism or natural disasters, generally are not insured because they are either uninsurable or it is not economically practical to obtain insurance. We believe that the insurance coverage we maintain is adequate in accordance with the relevant industry standards.

MANAGEMENT

The following table sets forth certain information regarding the directors of Global Cloud Xchange Limited as of the date this Offering Circular. The registered address of Global Cloud Xchange Limited is Sovereign Court 635 Sipson Road, West Drayton Middlesex, UB7 0JE United Kingdom. GCX Limited is a wholly owned subsidiary of Global Cloud Xchange Limited.

BOARD OF DIRECTORS OF GLOBAL CLOUD XCHANGE LIMITED

Name	Position/Title
William Lamont Barney	Director
Manikata Iyer Viswanathan	Director

The following table sets forth certain information regarding the directors, officers and senior management of GCX Limited as of the date this Offering Circular. The registered address of GCX Limited is Cumberland House, 9th Floor, 1 Victoria Street, Hamilton HM11, Bermuda.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT OF GCX LIMITED

Name	Position/Title
William Lamont Barney	CEO of RCOM, Chairman & CEO of GCX
Rory Cole	Chief Financial Officer
Wilfred Kwan Tai Lai	Chief Operating Officer
Martin Stone	Interim General Counsel
Lorain Wong	Chief Marketing Officer
Gina Haspilaire	Chief Human Resource Officer
Mark Russell	Managing Director GCX INT
Vineet Verma	President of Middle East and Africa
Fabrizio Civitarese	President of Asia Pacific
Chris Van Zinnicq Bergman	Senior Vice President, Strategy and Corporate Development
Rod Riley	Director

Mr. William Lamont Barney. Mr. Barney is CEO of RCOM in addition to his role as Chairman and CEO of GCX and Director of Global Cloud Xchange Limited.

Mr. Barney joined the company in 2014 as CEO of Reliance Globalcom Limited, which later rebranded as GCX. His role expanded in 2016 to include responsibility for RCOM's India Enterprise and Global Data Center businesses. Under his leadership, the company has entered a new stage of growth and expansion including GCX's successful debut in the international capital markets and the global launch of its next generation content and Cloud delivery platform.

Since 2017, Mr. Barney has received numerous recognitions for his industry leadership including DataCloud Asia's Data Center Achievement and Thought Leadership awards in 2017 & 2018 respectively for his significant contributions to the Data Center industry. In 2018, Times Ascent Dream Companies to Work for 2018 Awards at the World HRD Congress honored Mr. Barney with its 'CEO with HR Orientation' award.

Earlier Mr. Barney served 10 years as CEO of Pacnet, during which the company achieved industry-leading growth and won numerous awards and recognitions. Mr. Barney was named CEO of the Year by Telecom Asia in 2008 and voted Best Asia Pacific Telecom Executive by readers of CommsDay in 2009.

His past roles also include APAC President & CEO, MCI Worldcom, where he led the company through a three-digit growth phase; Vice President of Asia, ME & Africa at Global One; and sales leadership positions at AT&T.

Across the telecom and technology sectors, Mr. Barney has been an advocate for regulatory and industry change and a major proponent of Cloud Computing and Open networks. His leadership also extends to more than 8 years on the Board of Governors for the Pacific Telecommunications Council (PTC).

Mr. Barney received his MBA from Columbia University and BA from Wesleyan University.

Mr. Rory Cole. Mr. Cole is Chief Financial Officer of RCOM and GCX and has overall responsibility for global financial planning, management and strategic initiatives. He previously served as Chief Operating Officer of GCX's Data and Voice business units focused on providing services to Carriers and ISPs globally.

Joining the company with more than 25 years of telecom and technology experience, Mr. Cole has a proven track record of radically improving the financial and operating performance of large multinational telecommunications companies.

His extensive experience in complex corporate and financial restructuring includes that of MCI/ Worldcom, where he was Chief Financial Officer of MCI EMEA, a division worth $3.5 billion. He has also played a major role in Verizon's acquisition of MCI where he was Chief Operating Officer for Verizon.

Mr. Wilfred Kwan Tai Lai. Mr. Kwan is the Chief Operating Officer of RCOM and GCX, responsible for global operations, engineering, customer service and IT. Mr. Kwan has more than 25 years of senior management experience in telecoms operation, software development, integrated circuit design, product development, customer service and network planning.

Mr. Kwan joined the company from Pacnet where he served as Chief Technology Officer for more than ten years. A seasoned engineering and operations professional, Mr. Kwan successfully led key strategic projects ranging from implementing network expansion to launching new products and managing post-merger integrations of various entities.

Prior to Pacnet, Mr. Kwan served as Director of Operations for WorldCom Asia Pacific, responsible for overall operational efficiencies such as MTTR, on-time delivery and operations cost. He has also held various management positions with Global One, Lucent Technologies, Motorola and Nortel.

Mr. Kwan has an MS in Electrical Engineering from Cornell University, where he also received his undergraduate degree in the same discipline. Additionally, he has an MS in Financial Management from the University of London.

Mr. Martin Stone. Martin Stone is the Interim General Counsel of RCOM and Global Cloud Xchange (GCX), responsible for global corporate and legal affairs.

Mr. Stone joined us with over 20 years of experience in the global telecommunications industry where he has held senior management positions with leading network operators including General Counsel of REACH Ltd, General Counsel of C2C Pte Ltd, SVP-Head of Legal Services, Asia Netcom Corporation Limited and Chief Counsel Asia Pacific Region for British Telecommunications plc.

Mr. Stone's experience covers a complete range of legal, regulatory and compliance issues arising from daily operations, M&A activities and fundamental business restructuring. He qualified as a solicitor in England and Wales and received his Bachelor of Laws from Manchester University.

Ms. Lorain Wong. Ms. Wong is the Chief Marketing Officer of RCOM and GCX, responsible for global marketing, communications, brand management and media/analysts relations.

Ms. Wong joined the company with over 25 years of marketing, communications and media experience, most recently as Vice President of Global PR, Corporate and Internal Communications at HTC.

Earlier she served nine years as Senior Vice President of Marketing and Communications at Pacnet where she established and built the company's corporate identity across Asia Pacific, leading to key industry recognitions.

Ms. Wong also served as head of marketing and communications for Qwest Asia and Global One Asia Pacific. Her earlier roles include Director of Partnership Marketing and Director of Communications for AT&T Global Consumer Services in Southern California where she won numerous accolades for her work in multicultural marketing.

Ms. Wong began her career in television news and has produced and reported for a number of ABC and CBS affiliates in the United States. She has a degree in Journalism from the University of Texas at Austin, where she also pursued graduate studies in media law.

***Ms. Gina Haspilaire*.** Ms. Haspilaire is the Chief Human Resource Officer of RCOM and GCX, responsible for the company's Global HR and Facilities management functions.

Ms. Haspilaire joined the company in 2015 with more than 25 years of experience in general management, global strategy, business development, sales, marketing, HR and customer services. Previously, she was VP of Sales for the Americas at HENKEL, Adhesive Technologies. She also served more than 10 years as VP & Managing Director, at Pacnet where she was responsible for the USA and EU markets, ranking in the company's top 3 for 9 consecutive years.

Earlier, Ms. Haspilaire served as Principal, International Technology Practice at executive search firm, Heidrick & Struggles where she led an array of consulting services focused on senior leadership, organizational development, recruitment, talent management, assessment, and retention. Her extensive telecoms background originated from AT&T where she served for 14 years in various leadership roles including Director of Customer Service, Director of Enterprise Sales, Director of Investor Relations, Strategic Planning Manager for the CIO, and a Computer Software Engineer at the former Bell Labs.

Ms. Haspilaire is currently a Director on the Board of PC Tel, a NASDAQ traded technology company. She received the 2017 FEMINA Woman Leadership Congress Exemplary Women Leadership award, and under her leadership, Global Cloud Xchange and Reliance (Enterprise) was named by Times Ascent – Dream Company to Work for HR Award in the Institutional Building category.

Ms. Haspilaire received her MBA from Columbia University and a BS in Mathematics / Computer Science from St. John's University in New York.

***Mr. Mark Russell*.** Mr. Russell is the Managing Director of Global Cloud Xchange International, responsible for all sales and overseeing strategic development of GCX enterprise and wholesale business globally.

Mr. Russell joins GCX with over 25 years of telecom and technology experience, most recently as Director of Global Accounts for Netapp Inc. in London where he doubled revenues in his first year and achieved top vendor award from HSBC against all global vendors. Prior to Netapp, he served as Vice President of Global Sales and Acting CEO for Empower Interactive, a UK-based software company that provided messaging solutions to the mobile industry.

Mr. Russell's extensive telecom experience include 8 years in senior sales management roles at MCI (now Verizon Business). Under his leadership as VP and Managing Director of Asia Pacific, the company won Best Asian Call Centre award for 3 consecutive years and achieved significant revenue growth across the region. He also served 10 years in sales leadership positions with Cable & Wireless in London where he achieved sales growth for the company across enterprise markets.

Mr. Vineet Verma. Mr. Verma is our President of Middle East and Africa. Mr. Verma has more than 18 years of experience, 13 of which were at Global Telecom Business. He is experienced in network planning, operations, procurement and product management. He joined Reliance Industries in 1996 and since then he has remained with Reliance Group. Following the acquisition of FLAG by the Reliance Group, Mr. Verma joined FLAG in 2006 and was a part of the core team to lead the transition of various functions after the acquisition of FLAG Telecom, Yipes and Vanco. He led Procurement, Managed Services Operations and Product Development & Management Teams over the last 8 years and is currently responsible for leading the Global Managed Services Operations and Products & Services. Mr. Verma is an engineering graduate from Indian Institute of Technology in Roorkee, India and has completed the Executive Management Program from Indian Institute of Management, Bangalore, India.

Mr. Fabrizio Civitarese. Mr. Civitarese is our President of Asia Pacific. Mr. Civitarese joined us in June 2000 as Strategy and Corporate Development Director for Asia Pacific. Since 2002, he has served as Vice President of Sales for the region and was instrumental in delivering significant growth to the business. With over 22 years of experience in the telecommunications industry, Mr. Civitarese also held various senior positions in the Telecom Italia Group in Italy and Europe and led projects in the Middle East and South America. He holds a First-Class Honors Degree in Economics with major in Business Administration from the University of Rome, Italy.

***Mr. Chris Van Zinnicq Bergmann*.** Mr. Van Zinnicq Bergmann is responsible for global strategic transactions, network expansion and M&A activities for GCX. Since joining the company in 2014, Mr. Van Zinnicq Bergmann has contributed to GCX in both sales and corporate development across Europe and North America. With more than 25 years of global telecommunications experience, Mr. Van Zinnicq Bergmann also served as business development advisor to Inteliglobe and held leadership roles during his 13+ years at Pacnet, including Head of Europe and Head of Southeast Asia and India. He also served as Director of Regional Development during the transition of Asia Global Crossing to Asia Netcom, which later evolved into Pacnet.

Mr. Van Zinnicq Bergmann started his telecom career in Amsterdam where he held corporate as well as sales related positions at BT, Unisource (a joint venture between KPN, Telia and Swisscom) and AT&T-Unisource.

Mr. Van Zinnicq Bergmann received his MA in Dutch Law from Groningen University in The Netherlands and an MBA from Henley Business School in the UK.

Mr. Rod Riley. Mr. Riley is our sole Director. Mr. Riley served as deputy general counsel at FLAG for a period of 5 years commencing in 1998. Following the acquisition of FLAG by the Reliance Group, Mr. Riley rejoined the Company and has since served in a number of senior positions in the Legal Department, culminating in his current position as Senior Corporate Counsel. Mr. Riley has over 30 years of legal experience and is admitted as a solicitor in England and Wales. He has an honors degree in law from the University of Leeds and completed his legal training at the College of Law (currently University of Law).

Employment Agreements

We have entered into employment agreements with each member of our senior management. We may generally terminate the employment of senior management for cause at any time, without notice, for certain acts of the employee, including, but not limited to, material breach of their duties relating to confidential information and intellectual property. Furthermore, either we or the employee may terminate the employment agreement at any time without cause upon advance written notice to the other party.

Compensation of Key Management

For the year ended March 31, 2018, we recorded remuneration and benefits to key managerial personnel of US$1.6 million, compared to US$2.1 million for the financial year ended March 31, 2017 and

US$1.7 million for the financial year ended March 31, 2016. Our determination of who is considered a key manager for purposes of our Consolidated Financial Statements differs from the list of senior managers outlined in the table above.

Share Options

In May 2008, share options were granted to selected employees of the Reliance Globalcom Limited (RGL) to subscribe for ordinary shares in RGL, under certain share options plan (the "*ESOP plan*"). Pursuant to the terms of those plans, RGL granted units (Units) to employees through a trust. Employees were only able to receive Units equivalent to one equity share of RGL pending the listing of RGL. These Units could be redeemed for cash (at a value determined based on share price of RGL on March 31 of the immediately preceding year) or employees could hold on to the Units until such time as of an IPO of RGL; at which time the Units mandatorily convert to shares.

The board of directors of RGL passed a resolution on May 16, 2012 terminating the RGL ESOP plan. However, in accordance with the terms of the RGL ESOP plan, such termination would not affect the Options which have already been granted.

The exercise period under the ESOP Plan expired on May 15, 2017 and no option had been exercised by that date. Accordingly (i) all options outstanding on May 15, 2017 have lapsed and stand cancelled; (ii) the ESOP plan has been completed.

PRINCIPAL SHAREHOLDER

RCOM, through its subsidiaries, indirectly holds a 100% interest in the Issuer. See "Our Corporate History and Structure."

RCOM is listed in India on the BSE Limited and the National Stock Exchange of India Limited and is part of the Reliance Group, one of India's largest business groups which has a significant presence in the telecommunications, financial services, entertainment, energy and infrastructure sectors.

RELATED PARTY TRANSACTIONS

The following discussion is a summary of the significant transactions with our affiliates in the years ended March 31, 2016, 2017 and 2018.

Sales and purchases of services and other transactions

The table below sets forth the service and other transactions with related parties for each of the periods presented:

	For the year ended March 31,		
	2016	**2017**	**2018**
	US$	**US$**	**US$**
SALES OF SERVICES			
Service Revenue			
RCOM	52,480,274	44,157,715	34,303,132
Fellow subsidiaries of GCX Group	3,159,818	2,233,878	2,765,421
Total	**55,640,092**	**46,391,593**	**37,068,553**
PURCHASES OF SERVICES			
Network Operating Expenses			
RCOM	7,077,951	7,233,454	2,782,726
Fellow subsidiaries of GCX Group	29,623	-	-
Total	**7,107,574**	**7,233,454**	**2,782,726**
OTHER TRANSACTIONS			
Dividend given			
RCOM	15,000,000	-	-
Total	**15,000,000**	**-**	**-**

Prices for the sales and purchases of services are determined on the basis of market price. Management believes that a significant portion of these related party transactions relate to sales to third parties in India, where RCOM is the selling party because GCX does not have a license to sell telecom services directly in India for the periods presented.

Trade receivables and payables

Trade receivables for sales of services due from related parties were US$58.9 million, US$92.3 million and US$135.4 million as of March 31, 2016, 2017 and 2018, respectively, while trade payables for purchases of services due to related parties were US$5.4 million US$4.4 million and US$8.7 million as of March 31, 2016, 2017 and 2018, respectively.

Other receivables from related parties were US$12.3 million, US$8.3 million and US$8.5 million as of March 31, 2016, 2017 and 2018 respectively. Accrued expenses due to related parties were US$0.5 million, US$1.4 million and US$0.7 million as of March 31, 2016, 2017 and 2018, respectively.

The receivables for sales of services arise mainly from sales transactions and are due one or two months after the date of the applicable sales. The payables for purchases of services arise mainly from purchase transactions and are due one or two months after the date of the applicable purchase. The receivables are unsecured in nature and bear no interest. No provisions are held against receivables from related parties. The payables are unsecured and bear no interest.

DESCRIPTION OF MATERIAL INDEBTEDNESS

The following is a summary of the terms of indebtedness pertaining to us as of the date of this Offering Circular. The following does not purport to be complete.

SCB Loan Facility

Reliance Globalcom B.V., the Netherlands ("*RGBV*"), the holding company, has availed a facility from Standard Chartered Bank ("*SCB Lender*"), as amended from time to time. Shares, inter alia of GCX and the Issuer were pledged to the SCB Lender of the aforesaid facility. GCX and the Issuer are not guarantors to the facility. The principal outstanding under facility is $12.57 million. RGBV has delayed in the payment of dues to the lender for which an overall debt resolution plan is under consideration.

Existing Notes

On August 1, 2014, GCX Limited issued US$350,000,000 of senior secured notes due 2019. The Existing Notes bear interest at the rate of 7.00% per annum and will mature on August 1, 2019. The Existing Notes are guaranteed by certain of our direct and indirect subsidiaries and constitute senior obligations of GCX, ranking pari passu in right of payment with all existing and future senior indebtedness of GCX, and senior in right of payment to all existing and future subordinated indebtedness of the GCX and are effectively subordinated in right of payment to all existing and future liabilities of our subsidiaries that do not guarantee the Existing Notes. The Existing Notes are secured, subject to certain exceptions and permitted liens, by a pledge by GCX and certain subsidiaries of the outstanding equity interests owned by them in any other subsidiaries and a security interest in our and certain of subsidiaries existing and future assets.

DESCRIPTION OF THE ZERO COUPON NOTES

You can find the definitions of certain terms used in this description under the subheading "Certain Definitions." In this description, the word "GCX" refers only to GCX Limited and not to any of its Subsidiaries and "GCX Holdings" refers only to Global Cloud Xchange Limited and not to any of its Subsidiaries.

GCX Holdings will issue the Zero Coupon Notes under an indenture (the "*Indenture*") among itself and Madison Pacific Trust Limited, as trustee (the "*Trustee*"), the Bank of New York Mellon, London Branch as the paying agent (the "*Paying Agent*") and the Bank of New York Mellon SA/NV, Luxembourg Branch as transfer agent and registrar, in a private transaction that is not subject to the registration requirements of the Securities Act. See "Notice to Holders."

The following description is a summary of the material provisions of the Indenture. It does not restate the Indenture in its entirety. We urge you to read the Indenture because it, and not this description, define your rights as holders of the Zero Coupon Notes. Copies of the Indenture are available as set forth below under the caption "— Additional Information." Certain defined terms used in this description but not defined below under the caption "— Certain Definitions" have the meanings assigned to them in the Indenture.

The registered holder of a Zero Coupon Note will be treated as the owner of it for all purposes. Only registered holders will have rights under the Indenture.

Brief Description of the Zero Coupon Notes

The Zero Coupon Notes are:

- senior obligations of GCX Holdings, will rank *pari passu* in right of payment with all existing and future senior indebtedness of GCX Holdings;
- senior in right of payment to all existing and future subordinated indebtedness of GCX Holdings;
- subordinated to all of GCX Holdings' existing and future secured liabilities; and
- will be structurally subordinated in right of payment to all existing and future liabilities of GCX Holdings' subsidiaries.

Furthermore, as of the date of the Indenture, all of our Subsidiaries will be "Restricted Subsidiaries". However, under the circumstances described below under the caption "— Certain Covenants — Designation of Restricted and Unrestricted Subsidiaries", we will be permitted to designate certain of our Subsidiaries as "Unrestricted Subsidiaries". Although interactions between us and our Restricted Subsidiaries, on the one hand, and our Unrestricted Subsidiaries, on the other hand, will be restricted by the covenants set forth in the Indenture, our Unrestricted Subsidiaries will not be restricted by those covenants and will not guarantee the Zero Coupon Notes.

Principal, Maturity and Interest

GCX Holdings will issue US$45,000,000 in aggregate principal amount of Zero Coupon Notes in this offering. GCX Holdings may not issue additional Zero Coupon Notes under the Indenture after this offering, except for additional Zero Coupon Notes in respect of default interest. The Zero Coupon Notes and any additional Zero Coupon Notes subsequently issued under the Indenture will be treated as a single class for all purposes under the Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase.

GCX Holdings will issue Zero Coupon Notes in denominations of US$200,000 and integral multiples of US$1 in excess thereof. The Zero Coupon Notes will mature on August 27, 2023.

The Zero Coupon Notes do not bear interest except default interest in the event of non-payment. Default interest on overdue principal will accrue at a rate that is 1%. Default interest of the Zero Coupon Notes, if any, will be payable entirely by issuing Additional Zero Coupon Notes in a principal amount equal to such interest amount (in increments of $1). Default interest in the event of non-payment will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Additional Amounts

All payments made by GCX Holdings or a successor of the foregoing (each, a "*Payor*") under, or with respect to, the Zero Coupon Notes will be made free and clear of and without withholding or deduction for or on account of any present or future tax, duty, levy, impost, assessment or other governmental charge (including penalties and interest related thereto) (collectively, "*Taxes*") imposed, levied, collected or assessed by or on behalf of (1) Bermuda or any political subdivision or governmental authority thereof or therein having power to tax, (2) any jurisdiction from or through which payment on the Zero Coupon Notes is made on behalf of GCX Holdings, or any political subdivision or governmental authority thereof or therein having the power to tax, or (3) any other jurisdiction in which the relevant Payor is organized or resident, or any political or governmental authority thereof or therein having the power to tax (each of clause (1), (2) and (3), a "*Relevant Taxing Jurisdiction*"), unless the withholding or deduction of such Taxes is then required by law or the interpretation or administration thereof.

If any deduction or withholding for, or on account of, any Taxes of any Relevant Taxing Jurisdiction will at any time be required from any payments made with respect to the Zero Coupon Notes, including payments of principal, the Payor will pay (together with such payments) such additional amounts (the "*Additional Amounts*") as may be necessary in order that the net amounts received in respect of such payments by each holder, after such deduction or withholding (including any such deduction or withholding from such Additional Amounts), will not be less than the amounts which would have been received in respect of such payments in the absence of such deduction or withholding; *provided, however,* that no such Additional Amounts will be payable with respect to:

(1) any Taxes that would not have been so imposed, levied, collected or assessed but for the existence of any present or former connection between the relevant holder or beneficial owner (or between a fiduciary, settlor, beneficiary, member, partner or shareholder of, or possessor of power over, the relevant holder or beneficial owner, if the relevant holder or beneficial owner is an estate, nominee, trust, limited liability company, partnership or corporation, if applicable) and the Relevant Taxing Jurisdiction (other than the ownership or holding of such Zero Coupon Note or enforcement of rights thereunder or the receipt of payments in respect thereof);

(2) any estate, inheritance, gift, sales, excise, transfer, personal property or similar Taxes;

(3) any Taxes payable otherwise than by deduction or withholding from payments on or in respect of any Zero Coupon Note;

(4) any Taxes which would not have been imposed, payable or due if the presentation (where presentation is required) of the Zero Coupon Notes for payment occurred within 30 days after the date such payment was due and payable or was provided for, whichever is later, except for Additional Amounts with respect to Taxes that would have been imposed had the holder presented the Zero Coupon Note for payment within such 30-day period;

(5) any Taxes that are imposed or withheld by reason of the failure of the holder or beneficial owner of a Zero Coupon Note to comply, upon GCX Holdings' reasonable request, with certification, identification, information, documentation or other reporting requirements concerning the nationality, residence, identity or connection with the Relevant Taxing Jurisdiction of the holder or such beneficial owner or to make, upon GCX Holdings' reasonable request, any other claim or filing for exemption to which it is entitled if such compliance, making a claim or filing for exemption is required or imposed by a statute, treaty or regulation or administrative practice of the Relevant Taxing Jurisdiction as a precondition to exemption from all or part of such Taxes;

(6) any Taxes which could have been avoided by the presentation (where presentation is required) of the relevant Zero Coupon Note to another Paying Agent in a Relevant Taxing Jurisdiction;

(7) any withholding or deduction required by sections 1471 through 1474 of the United States Internal Revenue Code of 1986, as amended ("*FATCA*"), any current or future Treasury Regulations or rulings promulgated thereunder, any law, regulation or other official guidance enacted to implement FATCA, any intergovernmental agreement between the United States and any other jurisdiction to implement FATCA or any law enacted by such other jurisdiction to give effect to such agreement, or any agreement with the U.S. Internal Revenue Service under FATCA;

(8) any combination of the above.

Also, such Additional Amounts will not be payable with respect to any payment of principal or default interest on such Zero Coupon Note to any holder who is a fiduciary or partnership or any person other than the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such a partnership or the beneficial owner of such payment would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual holder of such Zero Coupon Note.

The Payor will (1) make any required withholding or deduction and (2) remit the full amount deducted or withheld to the applicable taxing authority in the Relevant Taxing Jurisdiction in accordance with applicable law.

The Payor will use all commercially reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any Taxes so deducted or withheld from each Relevant Taxing Jurisdiction imposing such Taxes and upon request by the Trustee on its own behalf or at the direction of a holder will provide such certified copies to the Trustee.

If the Payor becomes aware that it will be obligated to pay Additional Amounts with respect to any payment under or with respect to the Zero Coupon Notes, the Payor will deliver to the Trustee, at least five Business Days prior to the relevant payment date (unless the obligation to pay Additional Amounts arises after the fifth Business Day prior to the relevant payment date, in which case the Payor shall notify the Trustee and Paying Agent promptly after becoming aware of such obligation), an Officers' Certificate stating the fact that such Additional Amounts will be payable, the amounts estimated to be so payable and will set forth such other information necessary to enable the Trustee and Paying Agent to pay such Additional Amounts to holders of Zero Coupon Notes on the relevant payment date upon receipt of cleared funds. Each such Officers' Certificate shall be relied upon by the Trustee and Paying Agent as conclusive proof without further inquiry until receipt of a further Officers' Certificate addressing such matters.

The Payor will pay any stamp, issue, registration, documentary, value-added, excise, property or other similar taxes and duties (including interest and penalties) payable in respect of the creation, issue, offering or execution of the Zero Coupon Notes, or any documentation with respect thereto, excluding any such taxes,

charges or similar levies or duties imposed by a jurisdiction outside the jurisdiction in which the Payor is organized or any political subdivision or taxing authority or agency thereof or therein other than those resulting from, or required to be paid in connection with, the enforcement of the Zero Coupon Notes following the occurrence of any Default or Event of Default.

The foregoing obligations will survive any termination, defeasance or discharge of the Indenture and will apply with appropriate modifications to any jurisdiction in which any successor Person to a Payor is organized or any political subdivision or taxing authority or agency thereof or therein.

Whenever in the Indenture or in this description there is mentioned, in any context, (1) the payment of principal or default interest, (2) redemption prices or purchase prices in connection with the redemption or purchase of Zero Coupon Notes, or (3) any other amount payable under or with respect to any Zero Coupon Note, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Transfer and Exchange

A holder may transfer or exchange Zero Coupon Notes in accordance with the provisions of the Indenture. The transfer agent may require a holder, among other things, to furnish appropriate endorsements and transfer documents in connection with a transfer of Zero Coupon Notes. Holders will be required to pay all taxes due on transfer. GCX Holdings will not be required to transfer or exchange any Zero Coupon Note selected for redemption. Also, GCX Holdings will not be required to transfer or exchange any Zero Coupon Note for a period of 15 days before a selection of Zero Coupon Notes to be redeemed.

Optional Redemption

At any time GCX Holdings may redeem all or a part of the Zero Coupon Notes upon (i) not less than 10 nor more than 60 days' notice to Noteholders, and (ii) not less than 15 days' notice to the Trustee, Paying Agent and Registrar before the giving of the notice in (i), at a redemption price equal to 100.00% of the principal amount to be redeemed plus accrued and unpaid default interest, if any, on the Zero Coupon Notes redeemed to the applicable redemption date.

Mandatory Redemption

GCX Holdings is not required to make mandatory redemption or sinking fund payments with respect to the Zero Coupon Notes.

Repurchase at the Option of Holders

Change of Control

If a Change of Control Triggering Event occurs, each holder of Zero Coupon Notes will have the right to require GCX Holdings to repurchase all or any part (equal to US$200,000 or an integral multiple of US$1 in excess thereof) of that holder's Zero Coupon Notes pursuant to a Change of Control Offer on the terms set forth in the Indenture. In the Change of Control Offer, GCX Holdings will offer a Change of Control Payment in cash equal to 100.00% of the aggregate principal amount of Zero Coupon Notes repurchased. Within 30 days following any Change of Control Triggering Event, GCX Holdings will issue a Chance of Control Offer notice (the "*Change of Control Offer Notice*") to the holders and the Trustee describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase Zero Coupon Notes on the change of control payment date specified in the Change of Control Offer Notice (the "*Change of Control Payment Date*"). The Change of Control Payment Date will be no earlier than 30 days and no later than 60 days from the date the Change of Control Offer Notice is issued, pursuant to the procedures required by the Indenture and described in such notice.

GCX Holdings will comply with the requirements of any securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Zero Coupon Notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the Indenture, GCX Holdings will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control provisions of the Indenture by virtue of such compliance.

On the Change of Control Payment Date, GCX Holdings will, to the extent lawful:

(1) accept for payment all Zero Coupon Notes or portions of Zero Coupon Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Zero Coupon Notes or portions of Zero Coupon Notes properly tendered; and

(3) deliver or cause to be delivered to the Trustee the Zero Coupon Notes properly accepted together with an Officers' Certificate stating the aggregate principal amount of Zero Coupon Notes or portions of Zero Coupon Notes being purchased by GCX Holdings.

The Paying Agent will promptly apply payments received from the GCX Holdings through the clearing system process in accordance with the distribution provided by the GCX Holdings. GCX Holdings will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The provisions described above that require GCX Holdings to make a Change of Control Offer following a Change of Control Triggering Event will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control Triggering Event, the Indenture does not contain provisions that permit the holders of the Zero Coupon Notes to require that GCX Holdings repurchase or redeem the Zero Coupon Notes in the event of a takeover, recapitalization or similar transaction.

GCX Holdings will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by GCX Holdings and purchases all Zero Coupon Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption for all outstanding Zero Coupon Notes has been given pursuant to the Indenture as described above under the caption "— Optional Redemption," unless and until there is a default in payment of the applicable redemption price.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the properties or assets of GCX Holdings and its Restricted Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase "substantially all", there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of Zero Coupon Notes to require GCX Holdings to repurchase its Zero Coupon Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of GCX Holdings and its Restricted Subsidiaries taken as a whole to another Person or group may be uncertain.

Holders of Zero Coupon Notes will not be entitled to require GCX Holdings to purchase their Zero Coupon Notes in the event of a merger, takeover, recapitalization, leveraged buyout or similar transaction that is structured in a manner that does not constitute a Change of Control. In addition, under a Delaware Chancery Court interpretation of the definition of "Continuing Directors", a board of directors may approve, for purposes of such definition, a slate of shareholder-nominated directors without endorsing them, or while simultaneously recommending and endorsing its own slate instead. It is unclear whether, pursuant to Bermuda law, our Board of

Directors is similarly capable of approving a slate of dissident director nominees while recommending and endorsing its own slate. If such an action is possible under Bermuda law, the foregoing interpretation would permit our board to approve a slate of directors that included a majority of dissident directors nominated pursuant to a proxy contest, and the ultimate election of such dissident slate would not constitute a "Change of Control" that would trigger your right to require us to repurchase your Zero Coupon Notes as described above.

Events of Loss

Within 365 days after the receipt of any Event of Loss Proceeds from an Event of Loss, GCX Holdings (or the applicable Restricted Subsidiary, as the case may be) may apply such Event of Loss Proceeds:

(1) to acquire (a) all or substantially all of the assets of another Person or a division or line of business of such Person engaged in a Permitted Business or (b) any Capital Stock of another Person engaged in a Permitted Business, if, after giving effect to any such acquisition, the Permitted Business is or becomes a Restricted Subsidiary of GCX Holdings;

(2) to make a capital expenditure;

(3) to acquire other assets that are not classified as current assets under GAAP and that are used or useful in a Permitted Business; or

(4) to prepay, repay or purchase any Indebtedness of GCX or its Restricted Subsidiaries; *provided, however,* that, in connection with any prepayment, repayment or purchase of Indebtedness pursuant to this clause (5), GCX or such Restricted Subsidiary will retire such Indebtedness and will cause the related commitment (if any) to be permanently reduced in an amount equal to the principal amount so prepaid, repaid or purchased.

With respect to any Event of Loss, the amount equal to (1) the Event of Loss Proceeds from such Event of Loss less (2) the amount of the Event of Loss Proceeds from such Event of Loss that are applied within 365 days after such Event of Loss in accordance with the previous paragraph, will constitute "*Excess Event of Loss Proceeds*." Within 30 days after the date that both (1) the aggregate amount of Excess Event of Loss Proceeds exceeds US$10.0 million (or the Dollar Equivalent thereof) and (2) GCX has made any similar offer to redeem or repay (or made an offer to do so) Indebtedness, the terms of which require redemption or repayment (or the making of an offer to do so) with the proceeds of any event of loss), GCX Holdings will make an offer to purchase Zero Coupon Notes to all holders of Zero Coupon Notes, the maximum principal amount of Zero Coupon Notes that may be purchased, redeemed and repaid out of the Excess Event of Loss Proceeds as follows:

(1) GCX Holdings will make an offer to purchase Zero Coupon Notes to all holders of Zero Coupon Notes in accordance with the procedures set forth in the Indenture, *pro rata* in proportion to the respective principal amounts of the Zero Coupon Notes required to be redeemed or repaid, the maximum principal amount of Zero Coupon Notes that may be repurchased, repaid and redeemed out of the Excess Event of Loss Proceeds;

(2) the offer price for the Zero Coupon Notes will be equal to 100.00% of the principal amount thereof and will be payable in cash;

(3) if the aggregate amount offered to holders of the Zero Coupon Notes validly tendered and not withdrawn by holders thereof exceeds the *pro rata* portion of the aggregate amount of Excess Event of Loss Proceeds to be paid to holders of the Zero Coupon Notes, Zero Coupon Notes to be purchased will be selected on a *pro rata* basis (*provided* that the minimum denomination of Zero Coupon Notes is maintained); and

(4) if any Excess Event of Loss Proceeds remain after consummation of the applicable offer to purchase Zero Coupon Notes redemption, the amount of Excess Event of Loss Proceeds will be reset at zero and such remaining Excess Event of Loss Proceeds may be used for any purpose not otherwise prohibited by the Indenture.

Within five Business Days after an Event of Loss, GCX Holdings shall deliver to the Trustee an Officers' Certificate describing the assets that were the subject of such Event of Loss, the Fair Market Value of such assets and the amount of cash and Fair Market Value of any assets received or expected to be received in connection with such Event of Loss.

GCX Holdings will comply with the requirements of any securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Zero Coupon Notes pursuant to an Event of Loss Offer. To the extent that the provisions of any securities laws or regulations conflict with the Event of Loss provisions of the Indenture, GCX Holdings will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Event of Loss provisions of the Indenture by virtue of such compliance.

Selection and Notice

If less than all of the Zero Coupon Notes are to be redeemed at any time, the Paying Agent will apply for redemption on a *pro rata* basis based on a method that most nearly approximates a *pro rata* selection) unless otherwise required by law or applicable stock exchange, clearing system or depositary requirements.

No Zero Coupon Notes of US$200,000 or less can be redeemed in part. Notices of redemption will be issued at least 30 but not more than 60 days before the redemption date through the clearing system except that redemption notices may be issued more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Zero Coupon Notes or a satisfaction and discharge of the Indenture. Notices of redemption may not be conditional.

If any Zero Coupon Note is to be redeemed in part only, the notice of redemption that relates to that Zero Coupon Note will state the portion of the principal amount of that Zero Coupon Note that is to be redeemed. A new Zero Coupon Note in principal amount equal to the unredeemed portion of the original Zero Coupon Note will be issued in the name of the holder of Zero Coupon Notes upon cancellation of the original Zero Coupon Notes. Zero Coupon Notes called for redemption become due on the date fixed for redemption.

Certain Covenants

Set forth below are summaries of certain covenants contained in the Indenture.

Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock

GCX Holdings will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "*incur*") any Indebtedness (including Acquired Debt), and GCX Holdings will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; *provided*, *however*, that (i) GCX and its Restricted Subsidiaries may incur Indebtedness (including Acquired Debt) if the Leverage Ratio at the time (the "*Calculation Time*") at which such additional Indebtedness is incurred would have been no greater than 3.75 to 1.00, determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom) as if the additional Indebtedness had been incurred at the beginning of GCX's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the Calculation Time (the "*Leverage Ratio Test*").

The first paragraph of this covenant will not prohibit the incurrence of any of the following items of Indebtedness (collectively, "*Permitted Debt*"):

(1) the incurrence by GCX and its Restricted Subsidiaries of the Existing Indebtedness (other than Indebtedness incurred under the Facility Agreement), including the GCX Secured Notes;

(2) the incurrence by GCX Holdings of Indebtedness represented by the Zero Coupon Notes issued on the date of the Indenture and any additional Zero Coupon Notes issued for the payment of default interest accrued under the Zero Coupon Notes;

(3) (a) the incurrence by GCX Holdings of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted by the Indenture to be incurred under clauses (2)or (3(a) of this paragraph and (b) the incurrence by GCX or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted by the Indenture to be incurred under the first paragraph of this covenant or clauses (1), (3)(b), (10), or (13) of this paragraph;

(4) the incurrence by GCX Holdings or any of its Restricted Subsidiaries of intercompany Indebtedness between or among GCX Holdings and any of its Restricted Subsidiaries; *provided*, *however*, that:

(a) such Indebtedness is incurred in compliance with the covenants set forth under the captions "— Certain Covenants — Advances Between or Among GCX Holdings and its Restricted Subsidiaries" and "— Certain Covenants — Limitation on Restricted Payments"; and

(b) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than GCX Holdings or a Restricted Subsidiary of GCX Holdings and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either GCX Holdings or a Restricted Subsidiary of GCX Holdings, will be deemed, in the case of both (i) and (ii), to constitute an incurrence of such Indebtedness by GCX Holdings or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (4);

(5) Indebtedness arising from agreements of GCX or a Restricted Subsidiary of GCX providing for indemnification, adjustment of purchase price or similar obligations or from guarantees or letters of credit, surety bonds or performance bonds securing any obligations of GCX or a Restricted Subsidiary of GCX pursuant to such agreements, in each case, incurred in connection with the disposition of any business, assets or Subsidiary, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition; *provided* that the maximum aggregate liability in respect of all such Indebtedness will at no time exceed the gross proceeds (including the Fair Market Value of non-cash consideration) actually received by (or held in escrow for later release to) GCX or by such Restricted Subsidiary in connection with such disposition;

(6) the incurrence by GCX or any of its Restricted Subsidiaries of Hedging Obligations in the ordinary course of business and not for speculative purposes;

(7) the Guarantee by GCX or any of its Restricted Subsidiaries of Indebtedness of GCX or a Restricted Subsidiary of GCX that was permitted to be incurred by another provision of this covenant; *provided* that (i) if the Indebtedness being guaranteed is subordinated to or *pari passu* with the Zero Coupon Notes, then the Guarantee shall be subordinated or *pari passu,* as applicable, to the same extent as the Indebtedness guaranteed and (ii) if the Indebtedness being guaranteed is permitted to be incurred only by GCX, then the guarantor thereof shall only be GCX;

(8) the incurrence by GCX or any of its Restricted Subsidiaries of Indebtedness in respect of workers' compensation claims, self-insurance obligations, bankers' acceptances, performance bonds, surety bonds and similar obligations in the ordinary course of business;

(9) the incurrence by GCX or any of its Restricted Subsidiaries of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is covered within five Business Days;

(10) Acquired Debt of GCX or any of its Restricted Subsidiaries assumed or acquired in connection with a transaction governed by, and effected in accordance with, the covenant set forth under the caption "— Merger, Amalgamation, Consolidation or Sale of Assets"; *provided*, *however*, that such Indebtedness was not incurred in connection with, or in contemplation of, such transaction;

(11) Indebtedness incurred by GCX or any of its Restricted Subsidiaries constituting reimbursement obligations with respect to letters of credit, trade guarantees, performance bonds, surety bonds or completion or performance guarantees including completion or performance guarantees in connection with construction of cable landing stations or other cable projects issued in the ordinary course of business to the extent that such letters of credit, trade guarantees, performance and surety bonds or completion or performance guarantees are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than the 30 days following receipt by GCX or such Restricted Subsidiary, as applicable, of a demand for reimbursement;

(12) in respect of Sale and Leaseback Transactions of GCX relating to the sale and leaseback of cable landing stations or electronics equipment by a Restricted Subsidiary, the incurrence of Attributable Debt by such Restricted Subsidiary in an aggregate principal amount at any time outstanding, when taken together with all other Indebtedness incurred pursuant to this clause (12), not to exceed US$40.0 million;

(13) the incurrence by GCX or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings, vendor financings or purchase money obligations, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of design, construction, installation or improvement of property, plant or equipment used in the business of GCX or any of its Restricted Subsidiaries, in an aggregate principal amount at any time outstanding under this clause (13), including all Permitted Refinancing Indebtedness of GCX or any of its Restricted Subsidiaries incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (13) (which will be deemed to have been incurred pursuant to this clause (13)), not to exceed US$35.0 million;

(14) the incurrence by GCX Holdings or any of its Restricted Subsidiaries of any Deeply Subordinated Debt in an aggregate amount at any time outstanding pursuant to this clause (14), including all Permitted Refinancing Indebtedness by GCX Holdings or any of its

Restricted Subsidiaries incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (14), not to exceed US$100.0 million;

(15) Indebtedness of GCX or any of its Restricted Subsidiaries consisting of (x) the financing of insurance premiums or (y) take-or-pay obligations contained in supply arrangements entered into, in each case, in the ordinary course of business;

(16) the incurrence by India Restricted Subsidiaries of India Limited Recourse Debt and by PRC Restricted Subsidiaries of PRC Limited Recourse Debt in a total combined aggregate principal amount at any time outstanding pursuant to this clause (16) not to exceed US$30.0 million and guarantees thereof by other India Restricted Subsidiaries or other PRC Restricted Subsidiaries, as the case may be;

(17) the incurrence by GCX or any of its Restricted Subsidiaries of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding pursuant to this clause (17), including all Permitted Refinancing Indebtedness by GCX Holdings or any of its Restricted Subsidiaries incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (17) (which will be deemed to have been incurred pursuant to this clause (17)), not to exceed US$25.0 million;

(18) the incurrence by a Restricted Subsidiary of GCX engaged in the IDC Project of Indebtedness represented by loans, advances, mortgage financings, vendor financings, purchase money obligations, performance bonds, surety bonds and similar obligations, in each case, incurred for the purpose of financing all or any part of the cost of design, construction, installation or improvement of property, plant or equipment used exclusively in the IDC Project, in an aggregate principal amount at any time outstanding under this clause (18), including all Permitted Refinancing Indebtedness of such Restricted Subsidiary of GCX, of Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (18) (which will be deemed to have been incurred pursuant to this clause (18)), not to exceed INR28.0 billion (or the Dollar Equivalent thereof determined on the date of incurrence of such Indebtedness); *provided*, that such Indebtedness shall only be incurred by such Restricted Subsidiary, without recourse to GCX Holdings or any of its other Restricted Subsidiaries (by way of Guarantee or otherwise) or any of their assets; and

(19) the incurrence by a Restricted Subsidiary of GCX engaged in the Submarine Cable Project of Indebtedness represented by loans, advances, mortgage financings, vendor financings, purchase money obligations, performance bonds, surety bonds and similar obligations, in each case, incurred for the purpose of financing all or any part of the cost of design, construction, installation or improvement of property, plant or equipment used exclusively in the Submarine Cable Project, in an aggregate principal amount at any time outstanding under this clause (19), including all Permitted Refinancing Indebtedness of such Restricted Subsidiary of GCX, of Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (19) (which will be deemed to have been incurred pursuant to this clause (19)), not to exceed US$600.0 million; *provided*, that such Indebtedness shall only be incurred by such Restricted Subsidiary, without recourse to GCX Holdings or any of its other Restricted Subsidiaries (by way of Guarantee or otherwise) or any of their assets.

Notwithstanding the foregoing, the counterparty in respect of any Hedging Obligation secured by a Lien entered into by GCX Holdings or any of its Restricted Subsidiaries may not be an Affiliate of GCX Holdings or any such Restricted Subsidiary.

Notwithstanding any other term of the Indenture, GCX Holdings will not incur any Indebtedness (including Acquired Debt), except for any additional Zero Coupon Notes issued for the payment of default interest under the Zero Coupon Notes.

For purposes of determining compliance with this "Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock" covenant, in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (19) above, or is entitled to be incurred pursuant to the first paragraph of this covenant, GCX Holdings will be permitted to classify such item of Indebtedness on the date of its incurrence, or later reclassify all or a portion of such item of Indebtedness (other than Indebtedness incurred pursuant to clause (1), (2), (13), (16), (18) or (19) above), in any manner that complies with this covenant. The accrual of interest, the accretion or amortization of original issue discount and the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms or the reclassification of commitments or obligations not treated as Indebtedness due to a change in IFRS, will not be deemed to be an incurrence of Indebtedness for purposes of this covenant; *provided,* in each such case, that the amount of any such accrual, accretion, amortization or payment (other than with respect to Deeply Subordinated Debt) is included in Consolidated Interest Expense of GCX as accrued.

With respect to any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar equivalent principal amount (or accreted value, as applicable) of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness; *provided* that if such Indebtedness is incurred to renew, refund, refinance, replace, defease or discharge other Indebtedness denominated in a foreign currency, and such renewal, refunding, refinancing, replacement, defeasance or discharge would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date thereof, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount (or accreted value, as applicable) of such Indebtedness does not exceed the principal amount (or accreted value, as applicable) of such Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that GCX Holdings or any Restricted Subsidiary of GCX Holdings may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in currency exchange rates or currency values.

The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

  (a) the Fair Market Value of such assets at the date of determination; and

  (b) the amount of the Indebtedness of the other Person.

Limitation on Restricted Payments

GCX Holdings will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of GCX Holdings' or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger, amalgamation or consolidation involving GCX

Holdings or any of its Restricted Subsidiaries) or to the direct or indirect holders of GCX Holdings' or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of GCX Holdings or such Restricted Subsidiary), in each case held by Persons other than GCX Holdings or any of its Restricted Subsidiaries;

(2) purchase, call for redemption or redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger, amalgamation or consolidation involving GCX Holdings) any Equity Interests of GCX Holdings or any direct or indirect parent of GCX Holdings;

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Indebtedness, except a payment of interest or principal at the Stated Maturity thereof; or

(4) make any Restricted Investment

(all such payments and other actions set forth in these clauses (1) through (4) above being collectively referred to as "*Restricted Payments*"). Notwithstanding the foregoing, GCX Holdings or any of its Restricted Subsidiaries may make Restricted Investments (other than an Indirect Restricted Payment) if at the time of giving effect to any such Restricted Investment:

(1) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Investment;

(2) GCX would, at the time of such Restricted Investment and after giving *pro forma* effect thereto as if such Restricted Investment had been made at the beginning of the applicable four-quarter period, have been permitted to incur at least US$1.00 of additional Indebtedness pursuant to the Leverage Ratio Test; and

(3) such Restricted Investment, together with the aggregate amount of all other Restricted Payments made by GCX Holdings and its Restricted Subsidiaries since the Original Issue Date (excluding Restricted Payments permitted by clauses (2), (3), (4), (5), (6) and (7) of the next succeeding paragraph), is less than the sum, without duplication, of:

(a) either (i) where the Leverage Ratio is equal to or greater than 3:00 to 1:00, 75% or (i) where the Leverage Ratio is less than 3:00 to 1:00, 90% of the aggregate amount of the Consolidated EBITDA of GCX (or, if the Consolidated EBITDA is negative, minus 100.00% of the amount of such negative) accrued on a cumulative basis during the period (taken as one accounting period) beginning on the first day of the fiscal quarter in which the Original Issue Date occurs and ending on the last day of GCX's most recently ended fiscal quarter for which consolidated financial statements of GCX (which GCX Holdings will procure GCX to use its reasonable best efforts to compile in a timely manner and which may be internal financial statements) are available less, in each case, 1.75 times Consolidated Interest Expense for the same period; *plus*

(b) 100.00% of the aggregate net cash proceeds received by GCX since the Original Issue Date as a contribution to its common equity capital or from the issue or sale of Equity Interests of GCX (other than Disqualified Stock) or from the issue or sale of convertible or exchangeable Disqualified Stock or convertible or exchangeable debt securities of GCX that have been converted into or exchanged for such Equity

Interests (other than Equity Interests (or Disqualified Stock or debt securities) sold to a Subsidiary of GCX or GCX Holdings); *plus*

(c) to the extent that any Restricted Investment that was made after the date of the Indenture is sold for cash or otherwise cancelled, liquidated or repaid for cash, the lesser of (i) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (ii) the initial amount of such Restricted Investment; *plus*

(d) to the extent that any Unrestricted Subsidiary designated as such after the date of the Indenture is redesignated as a Restricted Subsidiary of GCX Holdings after the date of the Indenture, the lesser of (i) the Fair Market Value of GCX Holdings' Investment in such Subsidiary as of the date of such redesignation or (ii) such Fair Market Value as of the date on which such Subsidiary was originally designated as an Unrestricted Subsidiary after the date of the Indenture, in each case to the extent such amount was a Restricted Investment on the date of such redesignation; *plus*

(e) 100.00% of any dividends received by GCX or any of its Restricted Subsidiaries after the Original Issue Date from an Unrestricted Subsidiary, to the extent that such dividends were not otherwise included in the Consolidated EBITDA of GCX for such period.

The preceding provisions will not prohibit:

(1) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if the date of declaration or notice is after the date of the Indenture and at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of the Indenture;

(2) the redemption, repurchase or other acquisition of Equity Interests of GCX in exchange for, or out of or with, the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of GCX) of Equity Interests of GCX (other than Disqualified Stock) or from the substantially concurrent contribution of common equity capital to GCX (other than from a Restricted Subsidiary); *provided* that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from clause (3)(b) of the preceding paragraph;

(3) the repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of GCX with the net cash proceeds from (a) a substantially concurrent incurrence of Permitted Refinancing Indebtedness of GCX or (b) the substantially concurrent sale (other than to a Subsidiary of GCX) of Equity Interests of GCX (other than Disqualified Stock) or from the substantially concurrent contribution of common equity capital to GCX (other than from a Restricted Subsidiary); *provided that* the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from clause (3)(b) of the preceding paragraph;

(4) any Restricted Payment to pay for the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of GCX, any direct or indirect parent of GCX or any Restricted Subsidiary of GCX held by any current or former officer, director or employee of GCX, any direct or indirect parent of GCX or any of Restricted Subsidiary of GCX; *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed US$4.0 million in any twelve-month period (with unused

amounts in any twelve-month period being carried over to the succeeding twelve- month period) and may not exceed US$20.0 million in aggregate.

(5) the repurchase of Equity Interests deemed to occur upon the vesting or exercise of stock options, warrants, restricted stock or other similar rights to the extent such Equity Interests represent a portion of the exercise price or tax withholding cost thereof;

(6) the payment of any dividends or distributions declared, paid or made by a Restricted Subsidiary payable to persons other than GCX and/or its Restricted Subsidiaries; *provided, however*, that such dividend or distribution is payable, in each case on a pro rata basis or on a basis more favorable to GCX and/or its Restricted Subsidiary receiving such dividend or distribution, to all holders of any class of Capital Stock of such Restricted Subsidiary; and

(7) other Restricted Investments (other than an Indirect Restricted Payment) in an aggregate amount not to exceed US$10.0 million after the date of the Indenture;

(8) any Restricted Payment to pay for the repayment, repurchase, redemption, defeasance or other discharge of the SCB Facility and any fees and associated interest in connection therewith;

provided that, in the case of clauses (2), (3), (4), (7) and (8), no Default shall have occurred and be continuing or would occur as a consequence of the actions or payments set forth herein.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by GCX or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this covenant shall be (1) set forth in an Officers' Certificate delivered to the Trustee if such value is equal to or greater than US$5.0 million but no more than US$10.0 million (or the Dollar Equivalent thereof) and (2) set forth in a certified resolution of the Board of Directors of GCX delivered to the Trustee where the Fair Market Value exceeds US$10.0 million (or the Dollar Equivalent thereof) and such determination by the Board of Directors much be based upon an opinion or an appraisal issued by an appraisal or accounting, appraisal or investment banking firm of recognized international standing.

Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

GCX Holdings will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary of GCX Holdings to:

(1) pay dividends or make any other distributions on its Capital Stock to GCX Holdings or any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits;

(2) pay any indebtedness owed to GCX Holdings or any of its Restricted Subsidiaries;

(3) make loans or advances to GCX Holdings or any of its Restricted Subsidiaries; or

(4) sell, lease or transfer any of its properties or assets to GCX Holdings or any of its Restricted Subsidiaries;

provided that (i) the priority of any preferred stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock; (ii) the subordination of loans or advances made to GCX Holdings or any Restricted Subsidiary to other Indebtedness incurred by GCX Holdings or any Restricted Subsidiary; and (iii) the provisions contained in documentation governing Indebtedness requiring

transactions between or among GCX Holdings and any Restricted Subsidiary or between or among any Restricted Subsidiaries to be on fair and reasonable terms or on an arm's length basis, in each case, shall not constitute an encumbrance or restriction prohibited by this covenant.

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(1) provisions in agreements as in effect on the Original Issue Date and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that the encumbrances or restrictions in any such amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings, taken as a whole, are no more restrictive in any material respect than those contained in those agreements on the Original Issue Date;

(2) (a) the Indenture and the Zero Coupon Notes and (b) the GCX Secured Notes, the related guarantees, related collateral documents and indenture governing the GCX Secured Notes;

(3) with respect to any Restricted Subsidiary and imposed pursuant to an agreement that has been entered into for the Incurrence of Indebtedness in compliance with the covenant set forth under the caption "— Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock" if, as determined by the Board of Directors of GCX, the encumbrances or restrictions are (i) customary for such types of agreements and (ii) would not be reasonably expected to materially and adversely affect the ability of GCX Holdings to make required payments on the Zero Coupon Notes.

(4) applicable law, rule, regulation approval, license or order;

(5) any instrument governing Indebtedness or Capital Stock of a Person acquired by GCX or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings thereof; *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be incurred; *provided further* that the encumbrances and restrictions in any such amendment, restatement, modification, renewal, supplement, refunding, replacement or refinancing, taken as a whole, are no more restrictive in any material respect than those in effect at the time of such acquisition;

(6) customary non-assignment or non-transfer provisions in contracts, leases and licenses entered into in the ordinary course of business;

(7) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in clause (4) of the preceding paragraph;

(8) any agreement for (a) the sale of assets that restricts such assets pending the sale or other disposition and (b) the sale, merger, amalgamation, consolidation or other disposition of GCX Holdings or one or more of its Restricted Subsidiaries or the sale of all or substantially all of the assets of GCX Holdings or any of its Restricted Subsidiaries, that restricts GCX Holdings and/or the applicable Restricted Subsidiaries pending such sale, merger, amalgamation, consolidation or other disposition;

(9) Permitted Refinancing Indebtedness; *provided* that the encumbrances or restrictions contained in the agreements governing such Permitted Refinancing Indebtedness, taken as a whole, are no more restrictive in any material respect than those contained in the agreements governing the Indebtedness being refinanced;

(10) Liens permitted to be incurred under the provisions of the covenant described below under the caption "— Limitation on Liens" that limit the right of the debtor to dispose of the assets subject to such Liens;

(11) provisions in asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements, which encumbrance or restriction is applicable only to the assets that are the subject of such agreements;

(12) restrictions on cash or other deposits or net worth imposed by customers or suppliers or required by insurance, surety or bonding companies, in each case under contracts entered into in the ordinary course of business; and

(13) joint venture or similar agreements entered into after the date of the Indenture for the conduct of Permitted Businesses which encumbrances or restrictions (i) are customary for such agreements and (ii) would not be reasonably expected to materially and adversely affect the ability of GCX Holdings to make required payments on the Zero Coupon Notes.

Limitation on Sales and Issuances of Capital Stock in Restricted Subsidiaries

GCX Holdings will not sell, and will not permit any Restricted Subsidiary, directly or indirectly, to issue or sell, any shares of Capital Stock of a Restricted Subsidiary (including options, warrants or other rights to purchase shares of such Capital Stock) except:

(a) to GCX Holdings or a Restricted Subsidiary;

(b) to the extent such Capital Stock represents director's qualifying shares or is required by applicable law to be held by a Person other than GCX Holdings or a Restricted Subsidiary;

(c) the issuance or sale of Capital Stock of a Restricted Subsidiary if, immediately after giving effect to such issuance or sale, such Restricted Subsidiary would no longer constitute a Restricted Subsidiary and any remaining Investment in such Person would have been permitted to be made under the "Limitation on Restricted Payments" covenant if made on the date of such issuance or sale and provided that GCX Holdings applies the Net Cash Proceeds of such issuance or sale in accordance with the "— Limitation on Asset Sales" covenant to the extent required thereunder; and

(d) the issuance or sale of Capital Stock of a Restricted Subsidiary (which remains a Restricted Subsidiary after any such issuance or sale); provided that GCX Holdings or such Restricted Subsidiary applies the Net Cash Proceeds of such issuance or sale in accordance with the "— Limitation on Asset Sales" covenant to the extent required thereunder.

Notwithstanding the foregoing, a Restricted Subsidiary may issue Common Stock to its shareholders on a pro rata basis or on a basis more favorable to GCX Holdings and its Restricted Subsidiaries.

Limitation on Transactions with Shareholders and Affiliates

GCX Holdings will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, (x) any holder (or any Affiliate of such holder) of 5% or more of any class of Capital Stock of GCX Holdings or (y) any Affiliate of GCX Holdings (each, an "*Affiliate Transaction*"), unless:

(1) the Affiliate Transaction is on terms that are no less favorable to GCX Holdings or the relevant Restricted Subsidiary of GCX Holdings than those that would have been obtained in a comparable transaction by GCX Holdings or such Restricted Subsidiary with an unrelated Person; and

(2) GCX Holdings delivers to the Trustee:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$5.0 million but no more than US$10.0 million, a resolution of the Board of Directors of GCX set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with this covenant and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of GCX; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US$10.0 million, an opinion as to the fairness to GCX Holdings or such Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of recognized international standing.

The following items will not be deemed to be Affiliate Transactions and, therefore, except as set forth below will not be subject to the provisions of the prior paragraph:

(1) the payment of reasonable and reimbursement of expenses (pursuant to indemnity arrangements or otherwise) of officers, directors, employees or consultants of GCX Holdings or any of its Subsidiaries;

(2) transactions between or among GCX Holdings and any Wholly Owned Restricted Subsidiary or between or among Wholly Owned Restricted Subsidiaries;

(3) any Restricted Payment if permitted by the "— Limitation on Restricted Payments" covenant;

(4) any issuance or sale of Capital Stock (other than Disqualified Stock) of GCX Holdings;

(5) any Affiliate Transaction or series of related Affiliate Transactions involving aggregate payments or consideration of less than US$2 million;

(6) transactions with a Person (other than an Unrestricted Subsidiary) that is an Affiliate of GCX Holdings solely because GCX Holdings owns, directly or through one or more of its Restricted Subsidiaries, an Equity Interest in, or controls, such Person;

(7) Affiliate Transactions undertaken pursuant to (a) any contractual obligations, arrangements or rights in existence on the Original Issue Date and (b) any amendments, modifications, supplements, extensions, replacements, terminations or renewals to the obligations, arrangements and rights described in clause (a) above, so long as such contractual obligations,

arrangements or rights together with all such amendments, modifications, supplements, extensions, replacements, terminations or renewals, would not, individually or in the aggregate, materially and adversely affect the ability of GCX Holdings to make required payment on the Zero Coupon Notes;

(8) loans or advances to employees in the ordinary course of business not to exceed, in the aggregate, US$2.0 million (or the Dollar Equivalent thereof) at any one time outstanding;

(9) any agreement between any Person and an Affiliate of such Person existing at the time such Person is acquired by or merged into GCX Holdings or any of its Restricted Subsidiaries; provided that such agreement was not entered into in contemplation of such acquisition or merger;

(10) the incurrence of any Deeply Subordinated Debt in accordance with clause (14) of the second paragraph set forth under the caption "— Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock"; and

(11) any transaction between or among GCX Holdings and any Restricted Subsidiary that is not a Wholly Owned Restricted Subsidiary, provided that none of the minority shareholders or minority partners of or in such Restricted Subsidiary is a Person described in clauses (x) or (y) of the first paragraph of this covenant (other than by reason of such minority shareholder or minority partner being an officer or direct of such Restricted Subsidiary).

In addition, the requirements of clause (2)(b) of the first paragraph of this covenant shall not apply to Affiliate Transactions entered into in the ordinary course of business under a multi-year contract with customers, clients, suppliers, contractors, other service providers or purchasers and sellers of goods and services or lessors or lessees where the aggregate consideration payable in each year of such multi-year contract is less than US$4.0 million; *provided*, however that, where the aggregate consideration under any such multi-year contract is greater than US$10.0 million, GCX Holdings shall deliver to the Trustee a resolution of the Board of Directors of GCX set forth in an Officers' Certificate certifying that such Affiliate Transaction otherwise complies with this covenant and has been approved by a majority of the disinterested members of the Board of Directors of GCX.

Limitation on Liens

GCX Holdings will not, directly or indirectly, create, incur, assume or suffer to exist any Lien of any kind on any asset now owned or hereafter acquired, except for clauses (1) through (8), (16) through (23), (28) or (29) of the "Permitted Liens" definition.

GCX Holdings will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien of any kind on any asset now owned or hereafter acquired, except Permitted Liens.

Limitation on Sale and Leaseback Transactions

GCX Holdings will not, and will not permit any of its Restricted Subsidiaries to, enter into any Sale and Leaseback Transaction; *provided* that GCX or any of its Restricted Subsidiaries may enter into a sale and leaseback transaction if:

(1) GCX or such Restricted Subsidiary, as applicable, could have (a) incurred Indebtedness in an amount equal to the Attributable Debt relating to such Sale and Leaseback Transaction under the covenant described above under the caption "— Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock" and (b) incurred a Lien to secure such Indebtedness pursuant

to the covenant described above under the caption "— Limitation on Liens", in which case, the corresponding Indebtedness will be deemed Incurred and the corresponding Lien will be deemed Incurred pursuant to those provisions;

(2) The gross cash proceeds of that Sale and Leaseback Transaction are at least equal to the Fair Market Value of the property that is the subject of such Sale and Leaseback Transaction; and

(3) the transfer of assets in that Sale and Leaseback Transaction is permitted by, and GCX Holdings or the relevant Restricted Subsidiary applies the proceeds of such transaction in compliance with, the covenant described below under the caption "— Limitation on Asset Sales".

Limitation on Asset Sales

GCX Holdings will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) no Default shall have occurred and be continuing or would occur as a result of such Asset Sale;

(2) GCX Holdings (or the Restricted Subsidiary, as the case may be) receives consideration at the time of the Asset Sale at least equal to the Fair Market Value (measured as of the date of the definitive agreement with respect to such Asset Sale) of the assets or Equity Interests issued or sold or otherwise disposed of;

(3) in the case of an Asset Sale that constitutes an Asset Disposition, GCX could Incur, at the time of and after giving pro forma effect to such Asset Disposition, at least US$1.00 of Indebtedness under the proviso in the first paragraph of the covenant described under the caption "Certain Covenants — Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock"; and

(4) at least 75% of the consideration received in the Asset Sale by GCX Holdings or such Restricted Subsidiary is in the form of cash, Cash Equivalents or a combination thereof. For purposes of this provision, each of the following will be deemed to be cash:

(a) any liabilities, as shown on GCX's most recent consolidated balance sheet, of GCX or any of its Restricted Subsidiaries (other than contingent liabilities and liabilities that are by their terms subordinated to the Zero Coupon Notes) that are assumed by the transferee of any such assets pursuant to (i) a customary novation agreement that releases GCX Holdings or such Restricted Subsidiary from further liability or (i) a customary indemnity agreement that indemnifies GCX Holdings or such Restricted Subsidiary from and against any loss, liability or expense in respect of such assumed liability; *provided* that the liabilities so assumed in the case of an Asset Sale by GCX, shall be liabilities of GCX;

(b) any securities, notes or other obligations received by GCX Holdings or any such Restricted Subsidiary from such transferee that are, subject to ordinary settlement periods, converted within 30 days of receipt thereof by GCX Holdings or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion; and

(c) any stock or assets of the kind referred to in clauses (2) or (4) of the next paragraph of this covenant.

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, GCX Holdings (or the applicable Restricted Subsidiary, as the case may be) may apply such Net Proceeds:

(1) to the extent such Net Proceeds are attributable to an Asset Sale of assets, rights or Equity Interests, in each case that do not constitute Collateral, to repay, redeem or purchase Indebtedness, if any, secured by such assets, rights or Equity Interests;

(2) to acquire (a) all or substantially all of the assets of another Person or a division or line of business of such Person engaged in a Permitted Business or (b) any Capital Stock of another Person engaged in a Permitted Business, if, after giving effect to any such acquisition, the Permitted Business is or becomes a Restricted Subsidiary of GCX;

(3) to make a capital expenditure;

(4) to acquire other assets that are not classified as current assets under GAAP and that are used or intended to be used in a Permitted Business of GCX Holdings or a Restricted Subsidiary; or

(5) to prepay, repay or purchase the Zero Coupon Notes at a purchase price equal to 100.00% of the principal amount thereof;

(6) to prepay, repay or purchase any Indebtedness of GCX or its Restricted Subsidiaries; *provided*, *however*, that, in connection with any prepayment, repayment or purchase of Indebtedness pursuant to this clause (6), GCX Holdings or such Restricted Subsidiary will retire such Indebtedness and will cause the related commitment (if any) to be permanently reduced in an amount equal to the principal amount so prepaid, repaid or purchased.

Pending the final application of any Net Proceeds, GCX Holdings or the Restricted Subsidiary that consummated the applicable Asset Sale may temporarily reduce revolving credit borrowings and invest such Net Proceeds in Cash Equivalents.

Any Net Proceeds from Asset Sales that are not (1) applied or invested as provided in the second paragraph of this covenant or (2) applied or invested as provided in the GCX Secured Notes, will constitute "Excess Proceeds". Within 30 days after the date that both (1) the aggregate amount of Excess Proceeds exceeds US$10.0 million (or the Dollar Equivalent thereof) and (2) GCX has made any similar offer to redeem or repay (or made an offer to do so) Indebtedness, the terms of which require redemption or repayment (or the making of an offer to do so) with the proceeds of any event of loss), GCX Holdings will make an offer to purchase Zero Coupon Notes to all holders of Zero Coupon Notes and will redeem or repay (or make an offer to do so) with the proceeds of any sales of assets the maximum principal amount of Zero Coupon Notes that may be purchased, redeemed and repaid out of the Excess Proceeds as follows:

(1) GCX Holdings or any of its Subsidiaries will make an offer to purchase Zero Coupon Notes to all holders of Zero Coupon Notes in accordance with the procedures set forth in the Indenture *pro rata* in proportion to the respective principal amounts of the Zero Coupon Notes required to be redeemed or repaid, the maximum principal amount of Zero Coupon Notes that may be repurchased, repaid and redeemed out of the Excess Proceeds;

(2) the offer price for the Zero Coupon Notes will be equal to 100.00% of the principal amount thereof and will be payable in cash;

(3) if the aggregate amount offered to holders of the Zero Coupon Notes validly tendered and not withdrawn by holders thereof exceeds the *pro rata* portion of the aggregate amount of Excess Proceeds to be paid to holders of the Zero Coupon Notes, Zero Coupon Notes to be purchased

will be selected on a *pro rata* basis (*provided* that the minimum denomination of Zero Coupon Notes is maintained); and

(4) if any Excess Proceeds remain after consummation of the applicable offer to purchase Zero Coupon Notes, the amount of Excess Proceeds will be reset at zero and such remaining Excess Proceeds may be used for any purpose not otherwise prohibited by the Indenture.

GCX Holdings will comply with the requirements of any securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Zero Coupon Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sale provisions of the Indenture, GCX Holdings will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Asset Sale provisions of the Indenture by virtue of such compliance.

Limitation on the Business Activities of GCX Holdings

GCX Holdings will not, and will not permit any of its Restricted Subsidiaries to, engage in any business other than Permitted Businesses.

Designation of Restricted and Unrestricted Subsidiaries

The Board of Directors may designate any Restricted Subsidiary to be an Unrestricted Subsidiary; provided that (a) no Default shall have occurred and be continuing at the time of or after giving effect to such designation; (b) neither GCX Holdings nor any Restricted Subsidiary guarantees or otherwise provides credit support for the Indebtedness of such Restricted Subsidiary; (c) such Restricted Subsidiary does not own any Disqualified Stock of GCX Holdings or Disqualified or Preferred Stock of another Restricted Subsidiary or hold any Indebtedness, or any Lien on any property, of GCX Holdings or any Restricted Subsidiary, if such Disqualified or Preferred Stock or Indebtedness could not be Incurred under the covenant described under the caption "— Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock" or such Lien would violate the covenants described under the caption "— Limitation on Liens"; (d) such Restricted Subsidiary does not own any Voting Stock of another Restricted Subsidiary, and all of its Subsidiaries are Unrestricted Subsidiaries or are being concurrently designated as Unrestricted Subsidiaries in accordance with this paragraph; (e) the Investment deemed to have been made thereby in such newly designated Unrestricted Subsidiary and each other newly designated Unrestricted Subsidiary being concurrently redesignated would be permitted to be made by the covenant described under the caption "Limitation on Restricted Payments"; and (f) such Restricted Subsidiary does not own or operate or possess any material license, franchise or right used in connection with the ownership or operation of the Company's or its Restricted Subsidiaries' business, taken as a whole.

The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that (a) no Default shall occur after giving effect to such designation; (b) any Indebtedness of such Unrestricted Subsidiary outstanding at the time of such designation which will be deemed to have been Incurred by such newly designated Restricted Subsidiary as a result of such designation would be permitted to be Incurred by the covenant described under the caption "— Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock"; (c) any Lien on the property of such Unrestricted Subsidiary at the time of such designation which will be deemed to have been incurred by such newly designated Restricted Subsidiary as a result of such designation would be permitted to be Incurred by the covenant described under the caption "— Limitation on Liens"; and (d) such Unrestricted Subsidiary is not a Subsidiary of another Unrestricted Subsidiary (that is not concurrently being designated as a Restricted Subsidiary).

Advances Between or Among GCX Holdings and its Restricted Subsidiaries

All advances between or among GCX Holdings and its Restricted Subsidiaries made after the date of the Indenture will be evidenced by intercompany loans that are not "securities" as defined by United States securities laws (to the extent (x) not prohibited by law or regulation, (y) such loan would not be subject to any materially burdensome local registration requirement or material stamp tax or other duty or (z) such loan would not reasonably be expected to result in an adverse tax consequence to GCX Holdings or the applicable Restricted Subsidiaries (it being understood and agreed that the accrual and inclusion of interest in taxable income shall not be treated as an adverse tax consequence), which will be substantially in the form of the intercompany loan attached as an exhibit to the Indenture.

Insurance

Except with respect to jurisdictions where such insurance is not available to GCX Holdings on commercially reasonable terms (determined in good faith by GCX's chief financial officer), GCX Holdings will maintain or cause to be maintained, with financially sound and reputable insurers (with such requirement to be applicable, in the case of any liability with respect to which an event of loss has occurred, only at the time such insurance was procured), such public liability insurance, third party property damage insurance and casualty insurance with respect to liabilities, losses or damage in respect of the assets, properties and businesses of GCX Holdings and its Restricted Subsidiaries as may customarily be carried or maintained under similar circumstances by Persons of established reputation engaged in similar businesses, in each case in such amounts (giving effect to self-insurance), with such deductibles, covering such risks and otherwise on such terms and conditions as shall, in the aggregate, be customary for such Persons.

Government Approvals and Licenses; Compliance with Law

GCX Holdings will, and will cause each Restricted Subsidiary to, (a) obtain and maintain in full force and effect all material governmental approvals, authorizations, consents, permits, concessions and licenses as are necessary to engage in the Permitted Business, (b) preserve and maintain good and valid title to its properties and assets free and clear of any Liens other than Permitted Liens and (c) comply with all laws, regulations, orders, judgments and decrees of any governmental body, except to the extent that failure so to obtain, maintain, preserve and comply would not reasonably be expected to have a material adverse effect on (1) the business, results of operations or prospects of GCX Holdings and its Restricted Subsidiaries, taken as a whole, or (2) the ability of GCX Holdings to perform its obligations under the Zero Coupon Notes or the Indenture.

Suspension of Certain Covenants

If, on any date following the date of the Indenture, the Zero Coupon Notes have a rating of Investment Grade from both of the Rating Agencies and no Default has occurred and is continuing (a "Suspension Event"), then, beginning on that day and continuing until such time, if any, at which the Zero Coupon Notes cease to have a rating of Investment Grade from either of the Rating Agencies, the provisions of the Indenture summarized under the following captions will be suspended:

(1) "— Certain Covenants — Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock";

(2) "— Certain Covenants — Limitation on Restricted Payments";

(3) "— Certain Covenants — Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries";

(4) "— Certain Covenants — Limitation on Sales and Issuances of Capital Stock in Restricted Subsidiaries";

(5) "— Certain Covenants — Limitation on Issuances of Guarantees by Restricted Subsidiaries";

(6) "— Certain Covenants — Limitation on the Business Activities of GCX Holdings";

(7) "— Certain Covenants — Limitation on Sale and Leaseback Transactions";

(8) "— Certain Covenants — Limitation on Asset Sales";

(9) "— Certain Covenants — Anti-Layering";

(10) "— Certain Covenants — clauses (4) of the first paragraph of the covenant described under "— Certain Covenants — Merger, Amalgamation, Consolidation or Sale of Assets";

(11) "— Certain Covenants — Limitation on Activities of GCX Holdings"; and

(12) "— Certain Covenants — Springing Security".

During any period that the foregoing covenants have been suspended, the Board of Directors may not designate any of the Restricted Subsidiaries as Unrestricted Subsidiaries pursuant to the covenant summarized under the caption "— Certain Covenants — Designation of Restricted and Unrestricted Subsidiaries" or the definition of "Unrestricted Subsidiary." Such covenants will be reinstituted and apply according to their terms as of and from the first day on which a Suspension Event ceases to be in effect. Such covenants will not, however, be of any effect with regard to actions of the Company or any Restricted Subsidiary properly taken in compliance with the provisions of the Indenture during the continuance of the Suspension Event, and following reinstatement the calculations under the covenant summarized under "— Certain Covenants — Limitation on Restricted Payments" will be made as if such covenant had been in effect since the date of the Indenture except that no Default will be deemed to have occurred solely by reason of a Restricted Payment made while that covenant was suspended. There can be no assurance that the Zero Coupon Notes will ever achieve a rating of Investment Grade or that, if achieved, any such rating will be maintained.

Merger, Amalgamation, Consolidation or Sale of Assets

GCX Holdings will not, directly or indirectly: (1) consolidate, amalgamate or merge with or into another Person (whether or not GCX Holdings is the surviving entity) or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of GCX Holdings and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, unless:

(1) either: (a) GCX Holdings is the surviving entity or (b) the Person formed by or surviving any such consolidation, amalgamation or merger (if other than GCX Holdings) or to which such sale, assignment, transfer, conveyance or other disposition has been made is (i) an exempt company with limited liability under the laws of Bermuda or (ii) a corporation or company organized or existing under the laws of another Qualified Jurisdiction;

(2) the Person formed by or surviving any such consolidation, amalgamation or merger (if other than GCX Holdings) or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made assumes in writing all the obligations of GCX Holdings under the Zero Coupon Notes and the Indenture pursuant to agreements satisfactory to the Trustee;

(3) immediately after giving effect to such transaction, no Default or Event of Default would exist; and

(4) GCX or the Person formed by or surviving any such consolidation, amalgamation or merger (if other than GCX or GCX Holdings), or to which such sale, assignment, transfer, conveyance or other disposition has been made would, on the date of such transaction after giving *pro forma* effect thereto and any related financing transactions as if the same had

occurred at the beginning of the applicable four-quarter period, be permitted to incur at least US$1.00 of additional Indebtedness pursuant to the Leverage Ratio Test.

In addition, GCX Holdings will not, directly or indirectly, lease all or substantially all of the properties and assets of it and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to any other Person.

In addition, GCX Holdings may merge or amalgamate with an Affiliate solely for the purpose of reincorporating GCX Holdings in any Qualified Jurisdiction; *provided* that prior to such consolidation, amalgamation, merger or other disposition, GCX Holdings has delivered to the Trustee an Opinion of Counsel acceptable to the Trustee confirming that the holders of the outstanding Zero Coupon Notes will not recognize income, gain or loss for federal income tax purposes as a result of such consolidation, amalgamation, merger or other disposition and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such consolidation, amalgamation, merger or other disposition had not occurred.

A successor Person (i) formed by any consolidation or amalgamation with or into, (ii) with which GCX Holdings is merged or (iii) to which a sale, assignment, transfer, lease, conveyance or other disposition governed by this covenant is made shall, in each case, succeed to and be substituted for GCX Holdings, as applicable (and the provisions of the Indenture referring to GCX Holdings shall refer instead to the successor Person).

Payments for Consent

GCX Holdings will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any holder of Zero Coupon Notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Zero Coupon Notes unless such consideration is offered to be paid to all holders of the Zero Coupon Notes, and is paid to all holders of the Zero Coupon Notes that consent, waive or agree to amend in accordance with the terms of and in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

Notwithstanding the foregoing, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Zero Coupon Notes in connection with an exchange offer, GCX Holdings may exclude (i) holders or beneficial owners of the Zero Coupon Notes that are not institutional "accredited investors" as defined in subparagraphs (a)(1), (2), (3) or (7) of Rule 501 under the Securities Act, and (ii) holders or beneficial owners of the Zero Coupon Notes in any jurisdiction where the inclusion of such holders or beneficial owners would require GCX Holdings to comply with the registration requirements or other similar requirements under any securities laws of such jurisdiction, or the solicitation of such consent, waiver or amendment from, or the granting of such consent or waiver, or the approval of such amendment by, holders or beneficial owners in such jurisdiction would be unlawful, in each case as determined by GCX Holdings in its sole discretion.

Reports

(1) So long as any Zero Coupon Notes remain outstanding, GCX will file with the Trustee and furnish to the holders of Zero Coupon Notes:

(a) as soon as they are available, but in any event within 120 calendar days after the end of each fiscal year of GCX, copies of its financial statements (on a consolidated basis and in the English language) in respect of such financial year (including a statement of income, balance sheet and cash flow statement, together with notes thereto) audited by a recognized firm of independent accountants and a management's

discussion and analysis of financial condition and results of operations with respect to such financial statements;

(b) as soon as they are available, but in any event within 75 calendar days after the end of the first, second and third financial quarters of GCX, copies of its financial statements (on a consolidated basis and in the English language) in respect of such quarters (including a statement of income, balance sheet and cash flow statement); and

(c) information on material assets, liabilities, income and expenses of GCX Holdings, to the extent such assets and liabilities or income and expenses do not appear on the consolidated balance sheet or income statement, respectively, of GCX.

(2) So long as any Zero Coupon Notes remain outstanding, GCX will also provide to the Trustee with (1) the percentage of revenue and Consolidated EBITDA of GCX and (2) the calculation of the Consolidated EBITDA of GCX for the applicable Four Quarter Period (each an "*Consolidated EBITDA Calculation*").

(3) In addition, so long as any Zero Coupon Notes remain outstanding, GCX Holdings will provide to the Trustee (1) within 120 days after the close of each fiscal year, an Officers' Certificate (A) stating the Leverage Ratio of GCX with respect to the four most recent fiscal quarters and showing in reasonable detail the calculation of such ratio, including the arithmetic computations of each component of such ratio, with a certificate from GCX's external auditors verifying the accuracy and correctness of the calculation and arithmetic computation and (2) as soon as possible and in any event within 30 days after GCX Holdings becomes aware or should reasonably become aware of the occurrence of a Default, an Officer's Certificate setting forth the details of the Default, and the action which GCX Holdings proposes to take with respect thereto. Prior to receiving any Officer's Certificate regarding a Default, the Trustee will not be deemed to have any knowledge of the Default.

Further, GCX Holdings has agreed that, for as long as any Zero Coupon Notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, during any period in which GCX Holdings is not subject to Section 13 or 15(d) of the United States Securities Exchange Act of 1934, as amended (the "*Exchange Act*"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, GCX Holdings shall supply to (i) any holder or beneficial owner of a Zero Coupon Note or (ii) a prospective purchaser of a Zero Coupon Note or a beneficial interest therein designated by such holder or owner, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act upon request from such holder or prospective purchaser of a Zero Coupon Note.

If GCX Holdings has designated any of its Subsidiaries as Unrestricted Subsidiaries, then the annual financial information required by the preceding paragraphs will include a reasonably detailed presentation of such financial information in relation to GCX Holdings and its Restricted Subsidiaries separate from the financial information of the Unrestricted Subsidiaries of GCX Holdings.

Limitation on Activities of GCX Holdings

GCX Holdings will not engage in any business activity or undertake any other activity, except for (i) any activity reasonably relating to the offering, sale, issuance, incurrence and servicing, listing, purchase, redemption, amendment, exchange, refinancing or retirement of the Zero Coupon Notes (including any additional Zero Coupon Notes issued for the payment of default interest accrued under the Zero Coupon Notes), the granting of Liens permitted under the covenant described under the caption "—Limitation on Liens" and distributing, lending or otherwise advancing funds to GCX or any of its Restricted Subsidiaries and any other activities in connection therewith or complementary or useful thereto; (ii) Permitted Investments and Restricted

Payments permitted by the terms of the Indenture, including repurchases of Indebtedness; (iii) establishing and maintaining its legal existence or complying with applicable law; (iv) any activity taken to comply with its obligations, or exercise its rights, under or with respect to any Indebtedness; (v) any activity related to any purchase agreement and/or any other document entered into in connection with the issuance of Zero Coupon Notes or the incurrence of other Indebtedness permitted under the Indenture; (vi) activities of an administrative nature; (vii) activities related to the Investment, or other application, of amounts received by GCX Holdings; (viii) reorganizations undertaken for bona fide corporate or tax purposes or otherwise not in violation of the covenant described under the heading "—Merger, Amalgamation, Consolidation or Sale of Assets"; (ix) any activity undertaken in connection with a sale of GCX Holdings or any Restricted Subsidiary or any transaction involving the "exit" of any Permitted Holder; and (x) any activity reasonably related or incidental to the foregoing and other activities not specifically enumerated above that are de minimis in nature.

Listing

GCX Holdings will use its commercially reasonable efforts to obtain and maintain, within three months of the Settlement Date, listing of the Zero Coupon Notes on the Singapore Exchange Securities Trading Limited and for so long as the Zero Coupon Notes are outstanding; provided that if at any time GCX Holdings determines that it will not maintain such listing, it will obtain prior to the delisting of the Zero Coupon Notes from such stock exchange, and thereafter use its best efforts to maintain, a listing of such Zero Coupon Notes on another "recognized stock exchange" as defined in Section 1005 of the Income Tax Act 2007 of the United Kingdom.

Springing Security

GCX Holdings shall promptly notify the Trustee upon the repayment of the SCB Facility and the discharge of any security in connection thereunder.

Upon the occurrence of a SCB Facility Discharge Event, GCX Holdings will and will procure Reliance Globalcom B.V. to, as soon as reasonably practicable but in any event within 90 days thereof:

(1) At its own expense, appoint a recognized institutions to serve as collateral agent (the "Collateral Agent") and amend the terms of the Zero Coupon Notes and the Indenture to account for the granting of a first priority Lien of all of the Equity Interests of GCX Holdings and GCX in favor of the Collateral Agent and to reflect corresponding language in respect of collateral and Liens in the indenture governing the GCX Secured Notes; and

(2) Execute and deliver to the Trustee and the Collateral Agent such collateral documents, certificates (including stock certificates endorsed to the Collateral Agent or endorsed in blank, if a security interest can be perfected thereby in the relevant jurisdiction), instruments and other documents, and take such other actions (including charges or other registrations), as may be necessary to create and perfect (or comply with any equivalent requirement) in favor of the Collateral Agent, for the benefit of the Holders of the Zero Coupon Notes, a first priority Lien of all of the Equity Interests of GCX Holdings and GCX.

Notwithstanding the above, up to an additional 90 days shall be granted to GCX Holdings in the event a court judgment or a government approval is required for perfecting any Collateral.

The first priority Liens on property and assets constituting collateral will, upon a consolidation, amalgamation or merger of GCX Holdings or GCX or upon a sale or disposition of their respective properties or assets remain in full force and effect and perfected to at least the same extent as in effect immediately prior to such consolidation, amalgamation, merger, sale or disposition. The Liens on property and assets constituting collateral securing the Zero Coupon Notes will be released under any of the following circumstances:

(1) upon payment in full and discharge of all Zero Coupon Notes then outstanding under the Indenture and the full and final payment and performance of all other Obligations of GCX Holdings due and payable under the Indenture at the time that the Zero Coupon Notes are paid in full and discharged, whether at maturity, upon redemption or otherwise;

(2) upon legal defeasance or covenant defeasance under the Indenture as provided below under the caption "— Legal Defeasance and Covenant Defeasance" or the satisfaction and discharge of the Indenture as provided below under the caption "— Satisfaction Discharge"; or

(3) upon purchase or other acquisition of all of the Zero Coupon Notes then outstanding by GCX and/or its Affiliates, including without limitation in connection with a Change of Control Offer, Asset Sale Offer, Event of Loss Offer or other tender offer or open market purchases.

Events of Default and Remedies

Each of the following is an "*Event of Default*"*:*

(1) default for 30 days in the payment when due of Additional Amounts on the Zero Coupon Notes;

(2) default in the payment when due (at maturity, upon redemption or otherwise) of the principal of the Zero Coupon Notes;

(3) failure by GCX Holdings or any of its Restricted Subsidiaries to comply with the provisions described under the caption "— Certain Covenants — Merger, Amalgamation, Consolidation or Sale of Assets", failure by GCX Holdings to make or consummate an Offer to Purchase in the manner described under the caption "Repurchase at the option of the Holders" or the failure by GCX Holdings or Reliance Globalcom B.V. to create a first priority Lien of all of the Equity Interests of GCX Holdings and GCX in favor of the Collateral Agent in accordance with the covenant described under the caption "—Springing Security";

(4) failure by GCX Holdings or any of its Restricted Subsidiaries for 45 days after notice to GCX Holdings by the Trustee or the holders of at least 25% in aggregate principal amount of the Zero Coupon Notes then outstanding voting as a single class to comply with any of the agreements in the Indenture;

(5) default under any Indebtedness of GCX Holdings or any of its Restricted Subsidiaries (or any Indebtedness the payment of which is guaranteed by GCX Holdings or any of its Restricted Subsidiaries), whether such Indebtedness or Guarantee now exists, or is created after the date of the Indenture, if that default:

(a) is caused by a failure to pay principal of, or interest or premium, if any, on, such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "*Payment Default*")*;* or

(b) results in the acceleration of such Indebtedness prior to its express maturity,

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates US$10.0 million or more;

(6) one or more final judgments or orders for the payment of money are rendered against GCX Holdings or any Restricted Subsidiary and are not paid or discharged, and there is a period of 60 consecutive days following entry of the final judgment or order that causes the aggregate

amount for all such final judgments or orders outstanding and not paid or discharged against all such person to exceed US$10.0 million (or the Dollar Equivalent thereof) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;

(7) an involuntary case or other proceeding is commenced against GCX Holdings or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary with respect to it or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect seeking the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of GCX Holdings or any such Restricted Subsidiary that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary or for any substantial part of the property and assets of GCX Holdings or any such Restricted Subsidiary and such involuntary case or other proceeding remains undismissed and unstayed for a period of 60 consecutive days; or an order for relief is entered against GCX Holdings or any such Restricted Subsidiary under any applicable bankruptcy, insolvency or other similar law as now or hereafter in effect; and

(8) GCX Holdings or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary, (a) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (b) consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of GCX Holdings or any Restricted Subsidiary that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary or for all or substantially all of the property and assets of GCX Holdings or any such Restricted Subsidiary or (c) effects any general assignment for the benefit of creditors.

In the case of an Event of Default specified in clause (7) or (8), with respect to GCX Holdings or any Restricted Subsidiary that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary, all outstanding Zero Coupon Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the holders of at least 25% in aggregate principal amount of the then outstanding Zero Coupon Notes may, and the Trustee at the written direction of such Holders (subject to it being indemnified and/or secured to its reasonable satisfaction) will, declare all the Zero Coupon Notes to be due and payable immediately.

Subject to certain limitations, holders of a majority in aggregate principal amount of the then outstanding Zero Coupon Notes may direct the Trustee in its exercise of any trust or power.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will not be under any obligation to exercise any of the rights or powers under the Indenture at the request or direction of any holders of Zero Coupon Notes unless such holders have offered to the Trustee reasonably satisfactory indemnity and/or security against any loss, liability or expense. Except to enforce the right to receive payment of principal when due, no holder of a Zero Coupon Note may pursue any remedy with respect to the Indenture or the Zero Coupon Notes unless:

(1) such holder has previously given the Trustee notice that an Event of Default is continuing;

(2) holders of at least 25% in aggregate principal amount of the then outstanding Zero Coupon Notes have requested the Trustee to pursue the remedy;

(3) such holders have offered the Trustee reasonably satisfactory security and/or indemnity against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of indemnity; and

(5) holders of a majority in aggregate principal amount of the then outstanding Zero Coupon Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

The holders of a majority in aggregate principal amount of the then outstanding Zero Coupon Notes by notice to the Trustee may, on behalf of the holders of all of the Zero Coupon Notes, rescind an acceleration or waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of default interest on the Zero Coupon Notes.

GCX Holdings is required to deliver to the Trustee annually a statement regarding compliance with the Indenture. Upon becoming aware of any Default or Event of Default, GCX Holdings is required to promptly deliver to the Trustee a statement specifying such Default or Event of Default.

No Personal Liability of Directors, Officers, Employees and Shareholders

No director, officer, employee, incorporator or shareholder of GCX Holdings as such, will have any liability for any obligations of GCX Holdings under the Zero Coupon Notes, the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of Zero Coupon Notes by accepting a Zero Coupon Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Zero Coupon Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

Legal Defeasance and Covenant Defeasance

GCX Holdings may at any time, at the option of the Board of Directors of GCX evidenced by a resolution set forth in an Officers' Certificate, elect to have all of its obligations discharged with respect to the outstanding Zero Coupon Notes ("*Legal Defeasance*") except for:

(1) the rights of holders of outstanding Zero Coupon Notes to receive payments in respect of the principal on such Zero Coupon Notes when such payments are due from the trust referred to below;

(2) GCX Holdings' obligations with respect to the Zero Coupon Notes concerning issuing temporary Zero Coupon Notes, registration of Zero Coupon Notes, mutilated, destroyed, lost or stolen Zero Coupon Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the Trustee, and GCX Holdings' obligations in connection therewith; and

(4) the Legal Defeasance and Covenant Defeasance provisions of the Indenture.

In addition, GCX Holdings may, at its option and at any time, elect to have the obligations of GCX Holdings released with respect to certain covenants (including its obligation to make Change of Control Offers, Asset Sale Offers and Event of Loss Offers) that are described in the Indenture ("*Covenant Defeasance*") and thereafter any omission to comply with those covenants will not constitute a Default or Event of Default with respect to the Zero Coupon Notes. In the event Covenant Defeasance occurs, certain events (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events) described under "— Events of Default and Remedies" will no longer constitute an Event of Default with respect to the Zero Coupon Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) GCX Holdings must irrevocably deposit with the Trustee, in trust, for the benefit of the holders of the Zero Coupon Notes, cash in U.S. dollars, non-callable Government Securities, or a combination of cash in U.S. dollars and non-callable Government Securities, in amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal (including Additional Amounts), on the outstanding Zero Coupon Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and GCX Holdings must specify whether the Zero Coupon Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of Legal Defeasance, GCX Holdings must deliver to the Trustee an Opinion of Counsel acceptable to the Trustee confirming that (a) GCX Holdings has received from, or there has been published by, the Internal Revenue Service a ruling or (b) since the date of the Indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel will confirm that, the holders of the outstanding Zero Coupon Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, GCX Holdings must deliver to the Trustee an Opinion of Counsel acceptable to the Trustee confirming that the holders of the outstanding Zero Coupon Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which GCX Holdings is a party or by which GCX Holdings is bound;

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than the Indenture) to which GCX Holdings or any of its Subsidiaries is a party or by which GCX Holdings or any of its Subsidiaries is bound;

(6) GCX Holdings must deliver to the Trustee an Officers' Certificate stating that the deposit was not made by GCX Holdings with the intent of preferring the holders of Zero Coupon Notes over the other creditors of GCX Holdings with the intent of defeating, hindering, delaying or defrauding any creditors of GCX Holdings or others; and

(7) GCX Holdings must deliver to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Amendment, Supplement and Waiver

Except as provided in the next three succeeding paragraphs, the Indenture and the Zero Coupon Notes may be amended or supplemented with the consent of the holders of at least a majority in aggregate principal amount of the Zero Coupon Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Zero Coupon Notes), and any existing

Default or Event of Default or compliance with any provision of the Indenture or the Zero Coupon Notes, may be waived with the consent of the holders of a majority in aggregate principal amount of the then outstanding Zero Coupon Notes (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Zero Coupon Notes).

Without the consent of each holder of Zero Coupon Notes affected thereby, an amendment, supplement or waiver may not (with respect to any Zero Coupon Notes held by a non-consenting holder):

(1) reduce the principal amount of Zero Coupon Notes whose holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any Zero Coupon Note or alter the provisions with respect to the redemption of the Zero Coupon Notes;

(3) reduce the rate of or change the time for payment of default interest on any Zero Coupon Note;

(4) waive a Default or Event of Default in the payment of principal on the Zero Coupon Notes;

(5) make any Zero Coupon Note payable in money other than that stated in the Zero Coupon Notes;

(6) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of holders of Zero Coupon Notes to receive payments of principal on the Zero Coupon Notes;

(7) make any change in the provisions of the Indenture described under "Additional Amounts" that adversely affects the rights of any holder or amend the terms of the Zero Coupon Notes in a way that would result in a loss of exemption (if any) from Bermuda (or the jurisdiction in which GCX Holdings is then organized or incorporated) withholding tax;

(8) waive a redemption payment with respect to any Zero Coupon Note;

(9) reduce the amount payable upon a Change of Control Offer or an Offer to Purchase with the Excess Proceeds from any Asset Sale or change the time and manner by which a Change of Control Offer or an Offer to Purchase with the Excess Proceeds from any Asset Sale may be made or by which the Zero Coupon Notes must be repurchased pursuant to a Change of Control Offer or an Offer to Purchase with the Excess Proceeds from any Asset Sale;

(10) change the redemption date or the redemption price of the Zero Coupon Notes that stated under the caption "— Optional Redemption" or "— Redemption for Tax Reasons";

(11) amend, change or modify any provision of the Indenture or the related definition affecting the ranking of the Zero Coupon Notes in a manner which adversely affects the Holders; or

(12) make any change in the preceding amendment and waiver provisions.

For the avoidance of doubt, the Indenture shall not include any provision incorporating, giving effect to, or otherwise reflecting the provisions of Section 316(b) of the U.S. Trust Indenture Act.

Notwithstanding the preceding, without the consent of any holder of Zero Coupon Notes, GCX Holdings and the Trustee may amend or supplement the Indenture and the Zero Coupon Notes:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated Zero Coupon Notes in addition to or in place of certificated Zero Coupon Notes;

(3) to provide for the assumption of GCX Holdings' obligations to holders of Zero Coupon Notes in the case of a merger, amalgamation or consolidation or sale of all or substantially all of GCX Holdings' assets, as applicable;

(4) to make any change that would provide any additional rights or benefits to the holders of Zero Coupon Notes or that does not adversely affect the legal rights under the Indenture of any such holder;

(5) to conform the text of the Indenture or the Zero Coupon Notes to any provision of this Description of Zero Coupon Notes to the extent that such provision in this Description of Zero Coupon Notes was intended to be a verbatim recitation of a provision of the Indenture or the Zero Coupon Notes as certified in an Officers' Certificate delivered to the Trustee;

(6) to allow any Restricted Subsidiary to guarantee the Zero Coupon Notes;

(7) to enter into any documentation or take any other actions necessary or desireable to provide collateral for the Zero Coupon Notes, including, but not limited to, in accordance with the requirement stated "– Springing Security" above;

(8) to instruct the release of any collateral in accordance with the requirements stated "– Springing Security" above;

(9) to provide for the issuance of additional Zero Coupon Notes in accordance with the limitations set forth in the Indenture as of the date of the Indenture; and

(10) to change the governing law of the Zero Coupon Notes and the Indenture to English law.

The Trustee shall be entitled to request and fully rely on an Officers' Certificate and an Opinion of independent Counsel in determining whether any amendment or supplement to the Indenture or the Zero Coupon Notes is permitted by the foregoing clauses (1) through (6). Notwithstanding the above, the Trustee (at the expense of the GCX Holdings) is not precluded from seeking other advice or consultation on matters (1) through (8).

In determining whether the holders of the required principal amount of Zero Coupon Notes have concurred in any direction, waiver or consent, Zero Coupon Notes owned by GCX Holdings, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with GCX Holdings, will be considered as though not outstanding, except that for the purposes of determining whether the Trustee will be protected in relying on any such direction, waiver or consent, only Zero Coupon Notes in respect of which written notice is provided to the Trustee will be so disregarded.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all Zero Coupon Notes issued thereunder, when:

(1) if the Zero Coupon Notes are certificated notes, either:

(a) all Zero Coupon Notes that have been authenticated, except lost, stolen or destroyed Zero Coupon Notes that have been replaced or paid and Zero Coupon Notes for whose payment money has been deposited in trust and thereafter repaid to GCX Holdings, have been delivered to the Trustee for cancellation; or

(b) all Zero Coupon Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable within one year and GCX Holdings has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the holders, cash in U.S. dollars, non-callable Government Securities, or a combination of cash in U.S. dollars and non-callable Government Securities, in amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Zero Coupon Notes not delivered to the Trustee for cancellation for principal;

(2) no Default or Event of Default has occurred and is continuing on the date of the deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other instrument to which GCX Holdings is a party or by which GCX Holdings is bound;

(3) GCX Holdings has paid or caused to be paid all sums payable by it under the Indenture; and

(4) GCX Holdings has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of the Zero Coupon Notes at maturity or on the redemption date, as the case may be.

In addition, GCX Holdings must deliver an Officers' Certificate and an independent Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Waiver of Immunity

To the extent that GCX Holdings may be or become entitled to claim for itself or its property any immunity on the ground of sovereignty or the like from suit, court jurisdiction, attachment prior to judgment, attachment in aid of execution of a judgment or execution of a judgment, and to the extent that in any such jurisdiction there may be attributed such an immunity (whether or not claimed), pursuant to the Indenture, GCX Holdings will irrevocably waive and not claim such immunity with respect to its obligations under the Indenture or the Zero Coupon Notes.

Currency Indemnity

GCX Holdings will pay all sums payable under the Indenture or the Zero Coupon Notes solely in U.S. Dollars. Any amount that a holder of Zero Coupon Notes receives or recovers in a currency other than U.S. Dollars in respect of any sum expressed to be due to it from GCX Holdings will only constitute a discharge of the Zero Coupon Notes to the extent of the U.S. Dollar amount which such holder is able to purchase with the amount received or recovered in that other currency on the date of the receipt or recovery or, if it is not practicable to make the purchase on that date, on the first date on which such holder is able to do so. If the U.S. Dollar amount is less than the U.S. Dollar amount expressed to be due such holder under any Zero Coupon Note or to the Trustee, as the case may be, GCX Holdings will indemnify such holder or the Trustee, as the case may be, against any loss it sustains as a result. In any event, GCX Holdings will indemnify such holder against the cost of making any purchase of U.S. Dollars. For the purposes of this paragraph, it will be sufficient for such holder or the Trustee, as the case may be, to certify in a satisfactory manner that such holder would have suffered a loss had an actual purchase of U.S. Dollars been made with the amount received in that other currency on the date of receipt or recovery or, if it was not practicable to make the purchase on that date, on the first date on which such holder or the Trustee, as the case may be, was able to do so. In addition, such holder will also be required to certify in a satisfactory manner the need for a change of the purchase date.

The indemnities described above:

(1) constitute a separate and independent obligation from the other obligations of GCX Holdings;

(2) will give rise to a separate and independent cause of action;

(3) will apply irrespective of any indulgence granted by any holder; and

(4) will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Zero Coupon Note.

Concerning the Trustee, Registrar, Paying Agent and Transfer Agent

Madison Pacific Trust Limited is to be appointed as trustee under the Indenture. The Bank of New York Mellon, London Branch is to be appointed as paying agent for the Zero Coupon Notes. The Bank of New York Mellon SA/NV, Luxembourg Branch is to be appointed as transfer agent and registrar for the Zero Coupon Notes. The Indenture contains certain provisions setting out rights of the trustee, the agents and other persons such as delegates and co-trustees for the benefit and protection of such parties. The Trustee will be liable for the performance of such duties as are specifically set forth in the Indenture. Market standard provisions of indemnities for a trustee will apply.

Pursuant to the terms of the Indenture and the Zero Coupon Notes, GCX Holdings will pay and/or reimburse the Trustee, the Paying Agent and the Registrar for all agreed fees and properly incurred expenses.

If GCX Holdings maintains a Paying Agent in a European Union member state, then it will ensure that it maintains a Paying Agent in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 (each, a "Directive") or any law implementing or complying with, or introduced in order to conform to, such Directive.

The holders of a majority in aggregate principal amount of the then outstanding Zero Coupon Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of Zero Coupon Notes, unless such holder has offered to the Trustee security and/or indemnity satisfactory to it against any loss, liability or expense.

The Trustee in its individual or any other capacity may become the owner or pledgee of Zero Coupon Notes and may otherwise deal with GCX Holdings or any Affiliate of GCX Holdings with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days or resign.

The Trustee will not be responsible for making calculations or for verifying calculations performed by GCX Holdings or any other Persons unless otherwise specified in the Indenture. The Trustee shall not be deemed or implied to have any duties or obligations under the Indenture except those expressly assumed by it thereunder. In the absence of willful misconduct or gross negligence on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of the Indenture.

Additional Information

Anyone who receives this offering circular may obtain a copy of the Indenture without charge by writing to GCX Holdings, Sovereign Court 635 Sipson Road, West Drayton Middlesex, UB7 0JE United Kingdom, Attention: General Counsel.

The Clearing Systems

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each hold securities for participating organisations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry of changes in the accounts of their participants. Euroclear and Clearstream, Luxembourg provide their respective participants with, inter alia, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

Distributions of principal with respect to book-entry interests in the Zero Coupon Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the Paying Agent, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

Registration and form

Book-entry interests in the Zero Coupon Notes held through Euroclear and Clearstream, Luxembourg will be evidenced by the Certificated Zero Coupon Notes, registered in the name of a nominee of the common depositary of Euroclear and Clearstream, Luxembourg. The Certificated Zero Coupon Notes will be held by a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial ownership in the Zero Coupon Notes will be held through financial institutions as direct and indirect participants in Euroclear and Clearstream, Luxembourg.

The aggregate holdings of book-entry interests in the Zero Coupon Notes in Euroclear and Clearstream, Luxembourg will be reflected in the book-entry accounts of each such institution. Euroclear and Clearstream, Luxembourg, as the case may be, and every other intermediate holder in the chain to the beneficial owner of book-entry interests in the Zero Coupon Notes, will be responsible for establishing and maintaining accounts for their participants and customers having interests in the book-entry interest in the Zero Coupon Notes. The Paying Agent will be responsible for ensuring that payments received by it from GCX Holdings for holders of interests in the Zero Coupon Notes holding through Euroclear and Clearstream, Luxembourg are credited to Euroclear or Clearstream, Luxembourg, as the case may be.

GCX Holdings will not impose any fees in respect of the Zero Coupon Notes. However, holders of book-entry interests in the Zero Coupon Notes may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and Clearstream, Luxembourg.

Global Clearance and Settlement Procedures

Initial settlement

Interests in the Zero Coupon Notes will be in uncertificated book-entry form. Acquirors electing to hold book-entry interests in the Zero Coupon Notes through Euroclear and Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional eurobonds. Book-entry interests in the Zero Coupon Notes will be credited to Euroclear and Clearstream, Luxembourg participants' securities clearance accounts on the Business Day following the Settlement Date against payment (for value on the Settlement Date).

Secondary market trading

Secondary market sales of book-entry interests in the Zero Coupon Notes held through Euroclear or Clearstream, Luxembourg to acquirors of book-entry interests in the Zero Coupon Notes through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional participants.

General

Although the foregoing sets out the procedures of Euroclear and Clearstream, Luxembourg in order to facilitate the transfers of interests in the Zero Coupon Notes among participants of Euroclear and Clearstream, Luxembourg, neither Euroclear nor Clearstream, Luxembourg is under any obligation to perform or continue to perform such procedures and such procedures may be discontinued at any time.

None of GCX Holdings, the Exchange, Information and Tabulation Agent, the Trustee, the Paying Agent, Transfer Agent and Registrar or any of their agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective participants of their respective obligations under the rules and procedures governing their operations.

Exchange of Certificated Zero Coupon Notes for Global Zero Coupon Notes

Certificated Zero Coupon Notes may not be exchanged for beneficial interests in any Global Zero Coupon Note unless the transferor first delivers to the Trustee a written certificate (in the form provided in the Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such Zero Coupon Notes. See "Notice to Investors".

Governing Law

The Indenture provides that the law of the State of New York will govern and be used to construe the Indenture.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all defined terms used therein, as well as any other capitalized terms used herein for which no definition is provided.

"*Acquired Debt*" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is amalgamated with or merged with or into or becomes a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"*Affiliate*" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings.

"Approved Jurisdictions" means, with respect to the jurisdiction of organization of any Person, each of:

(1) Australia, Bermuda, the British Virgin Islands, the Cayman Islands, France, Germany, Hong Kong, Ireland, Singapore, the United States and the United Kingdom; and

(2) any state, province or territory or other political subdivision of any of the foregoing.

"*Asset Sale*" means:

(1) the sale, lease, conveyance or other disposition of any assets or rights by GCX Holdings or any of its Restricted Subsidiaries; *provided* that the sale, lease, conveyance or other disposition of all or substantially all of the assets of GCX Holdings and its Restricted Subsidiaries taken as a whole will be governed by the provisions of the Indenture described above under the caption "— Repurchase at the Option of Holders — Change of Control" and/or the provisions described above under the caption "— Certain Covenants — Merger, Amalgamation, Consolidation or Sale of Assets" and not by the provisions of the Asset Sales covenant; and

(2) the issuance of Equity Interests by any of GCX Holdings' Restricted Subsidiaries or the sale by GCX Holdings or any of its Restricted Subsidiaries of Equity Interests in any of its Subsidiaries.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than US$2.0 million;

(2) a transfer of assets between or among GCX Holdings and its Restricted Subsidiaries not in violation of the covenant set forth under the caption "— Certain Covenants — Limitation on Restricted Payments";

(3) an issuance of Equity Interests by a Restricted Subsidiary of GCX Holdings to GCX Holdings or to a Restricted Subsidiary of GCX Holdings;

(4) sales of property or equipment that, in the reasonable determination of GCX, has become worn out, obsolete or damaged or otherwise unsuitable for use in connection with the business of GCX or any of its Restricted Subsidiaries;

(5) the sale, grant, lease, sublease, license, sublicense, consignment, conveyance or other disposition of equipment, inventory, telecommunications product, service or capacity, indefeasible rights of use, accounts receivable or other assets in the ordinary course of business;

(6) the sale or other disposition of cash or Temporary Cash Investments;

(7) a Restricted Payment that does not violate the covenant described above under the caption "— Certain Covenants — Limitation on Restricted Payments" or a Permitted Investment;

(8) any transfer, assignment or other disposition deemed to occur in connection with creating or granting any Permitted Lien; and

(9) dispositions of receivables and related assets or interests in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements.

"*Asset Sale Offer*" has the meaning assigned to that term in the Indenture governing the Zero Coupon Notes.

"*Attributable Debt*" in respect of a Sale and Leaseback Transaction means, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP; *provided*, however, that if such Sale and Leaseback Transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of Capital Lease Obligation.

"*Beneficial Owner*" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "Beneficially Owns", "Beneficially Owned" and "Beneficial Ownership" have a corresponding meaning.

"*Board of Directors*" means:

(1) with respect to a company or corporation, the board of directors of the company or corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"*Business Day*" means any day which is (i) not a Saturday, Sunday, legal holiday or other day on which banking institutions in the City of New York, Hong Kong, London or Singapore (or in any other place in which payments on the Zero Coupon Notes are to be made) are authorized by law or governmental regulation to close; and (ii) a business day in the place of the specified office of the Paying Agent or Registrar (as applicable).

"*Capital Lease Obligation*" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"*Capital Stock*" means:

(1) in the case of a company or corporation, shares or corporate stock, respectively;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person,

but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"*Change of Control*" means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger, amalgamation or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of GCX Holdings and its Restricted Subsidiaries taken as a whole to any Person (including any "person" (as that term is used in Section 13(d) of the Exchange Act)) other than the Permitted Holders;

(2) the adoption of a plan relating to the liquidation or dissolution of GCX Holdings or GCX Holdings;

(3) the Permitted Holders are collectively the direct or indirect, through one or more Subsidiaries, beneficial owners of less than 50.1% of GCX Holdings' Equity Interests;

(4) the first day on which a majority of the members of the Board of Directors of GCX Holdings are not directors appointed by the Permitted Holders; or

(5) GCX Holdings ceases to be the direct or indirect beneficial owner of 100% of the outstanding Capital Stock of GCX or Reliance Globalcom B.V. ceases to be the direct or indirect beneficial owner of 100% of the outstanding Capital Stock of GCX.

"*Change of Control Offer*" has the meaning assigned to that term in the Indenture governing the Zero Coupon Notes.

"*Change of Control Triggering Event*" means the occurrence of both a Change of Control and a Rating Decline.

"*Commodity Hedging Agreement*" means any spot, forward or option commodity price protection agreements or other similar agreement or arrangement designed to protect against fluctuations in commodity prices.

"*Consolidated EBITDA"* means, with respect to any Person for any period, Consolidated Net Income of such Person for such period plus, to the extent such amount was deducted in calculating such Consolidated Net Income, without duplication:

(1) Consolidated Interest Expense;

(2) income taxes (other than income taxes attributable to extraordinary and non-recurring gains (or losses) or sales of assets);

(3) depreciation expense, amortization expense and all other non-cash items reducing Consolidated Net Income (other than non-cash items in a period which reflect cash expenses paid or to be paid in another period), less all non-cash items increasing Consolidated Net Income other than accrual of revenues in the ordinary course of business;

(4) fair value decreases in assets on the balance sheet in connection with the IPO of GCX Holdings;

(5) legal, accounting and other fees and expenses incurred in connection with the issuance and sale of the Zero Coupon Notes on the date of the Indenture and the write-off of deferred financing costs from time to time to the extent the same were deducted in computing Consolidated Net Income;

(6) any losses or write-offs arising from the acquisition of any securities or extinguishment, redemption, repurchase, cancellation, defeasance or assignment of Indebtedness to the extent such losses or write-offs were deducted in computing Consolidated Net Income; and

(7) any extraordinary write-offs arising from any liabilities owed to GCX Holdings or any of its Subsidiaries by RCOM or any of its Subsidiaries (other than GCX Holdings or its Subsidiaries), to the extent such write-offs were deducted in computing Consolidated Net Income.

all as determined on a consolidated basis for such Person and its Restricted Subsidiaries in conformity with GAAP; provided that if any Restricted Subsidiary is not a Wholly Owned Restricted Subsidiary, Consolidated EBITDA will be reduced (to the extent not otherwise reduced in accordance with GAAP) by an amount equal to (A) the amount of the Consolidated Net Income attributable to such Restricted Subsidiary multiplied by (B) the percentage ownership interest in the income of such Restricted Subsidiary not owned on the last day of such period by GCX Holdings or any of the Restricted Subsidiaries.

"Consolidated Interest Expense" means, with respect to any Person for any period, the amount that would be included in gross interest expense on a consolidated income statement prepared in accordance with GAAP for such period of such Person and its Restricted Subsidiaries, plus, to the extent not included in such gross interest expense, and to the extent incurred, accrued or payable during such period by such Person and its Restricted Subsidiaries, without duplication, (1) interest expense attributable to Capitalized Lease Obligations, (2) amortization of debt issuance costs and original issue discount expense and non-cash interest payments in respect of any Indebtedness, (3) the interest portion of any deferred payment obligation, (4) all commissions, discounts and other fees and charges with respect to letters of credit or similar instruments issued for financing purposes or in respect of any Indebtedness, (5) the net costs associated with Hedging Obligations (including the amortization of fees), (6) interest accruing on Indebtedness of any other Person that is Guaranteed by, or secured by a Lien on any asset of, such Person or any of its Restricted Subsidiaries and (7) any capitalized interest; provided that interest expense attributable to interest on any Indebtedness bearing a floating interest rate will be computed on a *pro forma* basis as if the rate in effect on the date of determination had been the applicable rate for the entire relevant period.

"*Consolidated Net Income*" means, with respect to any specified Person (the "Subject Person") for any period, the aggregate of the Net Income (or loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in conformity with GAAP; *provided* that the following items will be excluded in computing Consolidated Net Income (without duplication):

(1) the Net Income (or loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting except that:

(a) subject to the exclusion contained in clause (5) below, GCX Holdings' equity in the net income of any such Person for such period will be included in such Consolidated Net Income up to the aggregate amount of cash actually distributed by such Person during such period to GCX Holdings or a Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend or other distribution paid to a Restricted Subsidiary, to the limitations contained in clause (3) below); and

(b) GCX Holdings' equity in a net loss of any such Person for such period will be included in determining such Consolidated Net Income to the extent funded with cash or other assets of GCX Holdings or any of its Restricted Subsidiaries;

(2) the Net Income (or loss) of any Person accrued prior to the date it becomes a Restricted Subsidiary or is merged into or consolidated with GCX Holdings or any of the Restricted Subsidiaries or all or substantially all of the property and assets of such Person are acquired by GCX Holdings or any of its Restricted Subsidiaries;

(3) the net income (but not loss) of any Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions by such Restricted Subsidiary of such net income is not at the time permitted by the operation of the terms of its charter, articles of association or other constitutive document or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such Restricted Subsidiary;

(4) the cumulative effect of a change in accounting principles;

(5) any net after tax gains (but not losses) realized on the sale or other disposition of (a) any property or asset of GCX Holdings or any Restricted Subsidiary that is not sold in the ordinary course of its business or (b) any Capital Stock of any Person (including any gains by GCX Holdings or a Restricted Subsidiary realized on sales of Capital Stock of GCX Holdings or of any Restricted Subsidiary);

(6) any translation gains and losses due solely to fluctuations in currency values and related tax effects; and

(7) any net after-tax extraordinary or non-recurring gains (but not losses).

"*Consolidated Total Indebtedness*" means, for any Person as of any date of determination, an amount equal to the aggregate principal amount (or accreted value, as applicable) (without duplication) of all Indebtedness of such Person and its Restricted Subsidiaries on a consolidated basis outstanding at such time, with all Hedging Obligations valued at the net amount that the same are reflected as a liability upon the most recent balance sheet of the specified Person prepared in accordance with GAAP plus all Disqualified Stock issued by such Person and its Restricted Subsidiaries (to the extent not held by such Person or a Restricted Subsidiary) valued at the greater of its voluntary or involuntary liquidation preference and its maximum fixed repurchase price plus accrued dividends; plus any Preferred Stock issued by such Person or its Restricted Subsidiaries (to the extent not held by such Person or a Restricted Subsidiary) valued at the greater of its voluntary or involuntary liquidation preference and its maximum fixed repurchase price plus accrued dividends.

"*Credit Facilities*" means the Facility Agreement and one or more additional debt facilities with banks or other institutional lenders, as amended, restated, modified, renewed, refunded, replaced or refinanced (including by sales of debt securities to institutional investors) in whole or in part from time to time, in each case providing for term loans, revolving credit loans or letters of credit, guarantees or other credit support (or debt securities incurred to modify, renew, refund, replace or refinance such Indebtedness).

"*Currency Hedging Agreement*" means any currency swap agreement, currency cap agreement, currency floor agreement, currency futures agreement, commodity option agreement or any other similar agreement or arrangement which may consist of one or more of the foregoing agreements, designed to protect against fluctuations in currency prices.

"*Default*" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"*Deeply Subordinated Debt*" means Indebtedness of GCX Holdings or of its Restricted Subsidiaries, the obligee of which is a Permitted Holder, that (1) is Subordinated Indebtedness, (2) does not require or permit any cash payment of any Obligation thereon prior to its maturity (but which may require or permit prior to the maturity thereof (x) the payment of any Obligations thereon in kind or in Equity Interests of GCX Holdings (other than Disqualified Stock) and/or (y) the conversion or exchange of such Indebtedness into Equity Interests of GCX Holdings (other than Disqualified Stock)) and (3) does not mature prior to the date that is 91 days after the Stated Maturity of the Zero Coupon Notes.

"*Disqualified Stock*" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 183 days after the date on which the Zero Coupon Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require GCX Holdings to repurchase such Capital Stock upon the occurrence of a change of control, asset sale or event of loss will not constitute Disqualified Stock if the terms of such Capital Stock provide that GCX Holdings may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under the caption "— Certain Covenants — Limitation on Restricted Payments." The amount of Disqualified Stock deemed to be outstanding at any time for purposes of the Indenture will be the maximum amount that GCX Holdings and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"*Dollar Equivalent*" means, with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the base rate for the purchase of U.S. dollars with the applicable foreign currency as quoted by the Federal Reserve Bank of New York on the date of determination.

"*Equity Interests*" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"*Event of Loss*" means, with respect to any asset of GCX Holdings or any of its Restricted Subsidiaries (1) any condemnation, seizure, nationalization, expropriation or taking by exercise of the power of eminent domain or otherwise of such asset, or confiscation of such asset or the requisition of the use of such asset, in each case by any government or regulatory authority with jurisdiction over such asset and after such action has become final and non-appealable or (2) any final settlement in lieu of the actions set forth in clause (1) above.

"*Event of Loss Offer*" has the meaning assigned to that term in the Indenture governing the Zero Coupon Notes.

"*Event of Loss Proceeds*" means the aggregate cash and Cash Equivalents proceeds received by GCX Holdings or any of its Restricted Subsidiaries in respect of any Event of Loss (including, without limitation, any cash and Cash Equivalents received upon the sale or other disposition of any non-cash consideration received in any Event of Loss), net of the direct costs relating to such Event of Loss, including, without limitation, legal, accounting and any relocation expenses incurred as a result of the Event of Loss, taxes paid or payable as a result of the Event of Loss, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements.

"*Existing Indebtedness*" means Indebtedness of GCX and its Restricted Subsidiaries in existence on the Original Issue Date (other than the Facility Agreement or mortgage financings, vendor financings and purchase money obligations in existence on the Original Issue Date), until such amounts are repaid.

"*Facility Agreement*" means any credit facilities entered into pursuant to the term sheet, dated on or around July 12, 2014, among, among others, GCX as borrower, and certain subsidiaries of GCX party thereto as guarantors with Deutsche Bank AG, Hong Kong Branch and Standard Chartered Bank.

"*Fair Market Value*" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, as determined in good faith by (1) the chief financial officer of GCX, if such value is equal to or less than US$10.0 million and (2) the Board of Directors of GCX, if such value exceeds US$10.0 million, in each case, unless otherwise provided in the Indenture.

"*Four Quarter Period*" means, as of any date, the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding such date.

"*GAAP*" means International Financial Reporting Standards as in effect from time to time. All ratios and computations contained or referred to in the Indenture shall be computed in conformity with GAAP applied on a consistent basis.

"*GCX Secured Notes*" means the US$350,000,000 7.00% Senior Secured Zero Coupon Notes due 2019 issued by GCX.

"*Government Securities*" means the direct obligations of, or obligations guaranteed by, the United States, and the payment for which the United States pledges its full faith and credit.

"*Guarantee*" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"*Hedging Obligations*" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk;

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates or commodity prices; and

(4) other agreements with respect to one or more options or other derivative transactions entered into in connection with the issuance of convertible Indebtedness.

"*IDC Project*" means the nine Internet data center facilities in Mumbai, Hyderabad, Chennai and Bengaluru, currently subject to a binding term sheet dated December 28, 2017 relating to their use and operation and entered into by and between GCX and certain of its Subsidiaries and RCOM and certain of its Subsidiaries.

"*Indebtedness*" means, with respect to any Person, at any date of determination (without duplication):

(1) all indebtedness of such Person for borrowed money;

(2) all obligations of such Person evidenced by bonds, debentures, Zero Coupon Notes or other similar instruments;

(3) all obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments;

(4) all obligations of such Person to pay the deferred and unpaid purchase price of property or services, except Trade Payables;

(5) all Capital Lease Obligations and Attributable Debt;

(6) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided* that the amount of such Indebtedness will be the lesser of (a) the Fair Market value of such asset at such date of determination and (b) the amount of such Indebtedness;

(7) all Indebtedness of other Persons Guaranteed by such Person to the extent such Indebtedness is Guaranteed by such Person; and

(8) to the extent not otherwise included in this definition, Hedging Obligations.

The amount of Indebtedness of any Person at any date will be the outstanding balance at such date of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided*

(1) that the amount outstanding at any time of any Indebtedness issued with original issue discount is the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP;

(2) that money borrowed and set aside at the time of the Incurrence of Indebtedness in order to prefund the payment of the interest on such Indebtedness will not be deemed to be "Indebtedness" so long as such money is held to secure the payment of such interest; and

(3) that the amount of Indebtedness with respect to any Hedging Obligation will be equal to the net amount payable if the Commodity Hedging Agreement, Currency Hedging Agreement or Interest Rate Hedging Agreement giving rise to such Hedging Obligation terminated at that time due to default by such Person.

Notwithstanding the foregoing, Indebtedness shall not include (i) deferred revenue arising from the sale of bandwidth, network capacity or indefeasible rights of use; (ii) any capital commitment, pre-sale receipts, deposits of advances from customers or any contingent obligations to refund payments (including deposits or advances) to customers (or any guarantee thereof) in the ordinary course of business, (iii) obligations of GCX Holdings or a Restricted Subsidiary to pay the deferred and unpaid purchase price of property or services due to suppliers of equipment or other assets (including parts thereof) not more than one year after such property is acquired or such services are completed and the amount of unpaid purchase price retained by GCX Holdings or any Restricted Subsidiary in the ordinary course of business in connection with an acquisition of equipment or other assets (including parts thereof) pending full operation or contingent on certain conditions during a warranty period of such equipment or assets in accordance with the terms of the acquisition; *provided*, in the case of clause (ii) or (iii), such is not reflected on the balance sheet for GCX Holdings or any Restricted Subsidiary (contingent obligations and commitments referred to in a footnote to financial statements and not otherwise reflected as borrowings on the balance sheet will not be deemed to be reflected on such balance sheet).

"*India Restricted Subsidiary*" means any Restricted Subsidiary which is organized under the laws of India that does not guarantee the Zero Coupon Notes.

"*India Limited Recourse Debt*" means Indebtedness as to which neither GCX Holdings nor any of its Restricted Subsidiaries other than India Restricted Subsidiaries (a) provides credit support of any kind (including security of any kind or any undertaking, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable as a guarantor or otherwise.

"*Indirect Restricted Payment*" means a Restricted Investment, directly or indirectly, in (i) any parent of GCX Holdings, (ii) any Permitted Holder, (iii) any Affiliate of any Permitted Holder (other than GCX Holdings or a Restricted Subsidiary) or (iv) any Unrestricted Subsidiary (if the Investment in such Unrestricted Subsidiary is directly or indirectly used to declare or pay any dividend or make any other payment or distribution to any person specified in clauses (i), (ii) or (iii) of this definition).

"*Investments*" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances or capital contributions (excluding the extension of trade credit and deposits, in each case in the ordinary course of business in accordance with customary practice and on reasonable terms, and commission, travel and similar advances to officers, directors and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If GCX Holdings or any of its Restricted Subsidiaries sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary of GCX Holdings such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of GCX Holdings, GCX Holdings will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of GCX Holdings' Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in the final paragraph of the covenant described above under the caption "— Certain Covenants — Limitation Restricted Payments." The acquisition by GCX Holdings or any of its Restricted Subsidiaries of a Person that holds an Investment in a third Person will be deemed to be an Investment by GCX Holdings or such Restricted Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in the final paragraph of the covenant described above under the caption "— Certain Covenants — Limitation on Restricted Payments". Except as otherwise provided in the Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"*Investment Grade*" means a rating of "AAA," "AA," "A" or "BBB," as modified by a "+" or "- " indication, or an equivalent rating representing one of the four highest rating categories, by S&P or any of its successors or assigns or a rating of "AAA," "AA," "A" or "BBB," as modified by a "+" or "-" indication, or an equivalent rating representing one of the four highest rating categories, by Fitch or any of its successors or assigns, or a rating of "Aaa," or "Aa," "A" or "Baa," as modified by a "1," "2" or "3" indication, or an equivalent rating representing one of the four highest rating categories, by Moody's, or any of its successors or assigns or the equivalent ratings of any internationally recognized rating agency or agencies, as the case may be, which shall have been designated by the Company as having been substituted for S&P or Moody's or both, as the case may be.

"*Leverage Ratio*" means, with respect to any specified Person as of any date of determination, the ratio of (1) the Consolidated Total Indebtedness of such Person as of such date to (2) the Consolidated EBITDA of such Person for the Four Quarter Period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems preferred stock subsequent to the applicable Four Quarter Period for which the Leverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Leverage Ratio is made (the "*Ratio Date*"), then the Leverage Ratio will be calculated giving *pro forma* effect to such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable Four Quarter Period.

In addition, for purposes of calculating the Leverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers, amalgamations or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions and including increases in ownership of Restricted Subsidiaries, during the applicable Four Quarter Period or subsequent to such period and on or prior to the Ratio Date will be given *pro forma* effect (in accordance with Regulation S-X, promulgated pursuant to the Securities Act) as if they had occurred on the first day of the applicable Four Quarter Period;

(2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of during the applicable Four Quarter Period or subsequent to such period and on or prior to the Ratio Date, will be excluded;

(3) any Person that is a Restricted Subsidiary of the specified Person on the Ratio Date will be deemed to have been a Restricted Subsidiary of the specified Person at all times during the applicable Four Quarter Period;

(4) any Person that is not a Restricted Subsidiary of the specified Person on the Ratio Date will be deemed not to have been a Restricted Subsidiary of the specified Person at any time during the applicable Four Quarter Period; and

(5) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Ratio Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Ratio Date in excess of 12 months).

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind, whether or not filed, recorded or otherwise perfected or registered under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

"*Moody's*" means Moody's Investors Service, Inc.

"*Net Income*" means, with respect to any specified Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends, excluding, however:

(1) any gain or loss, together with any related provision for taxes on such gain or loss, realized in connection with: (a) any asset sale which is not in the ordinary course of business; or (b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment of any Indebtedness of such Person or any of its Restricted Subsidiaries; and

(2) any extraordinary gain or loss, together with any related provision for taxes on such extraordinary gain or loss.

"*Net Proceeds*" means the aggregate cash and Cash Equivalents proceeds received by GCX Holdings or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash and Cash Equivalents received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the direct costs relating to such Asset Sale, including, without limitation, legal, accounting

and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements, and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with GAAP.

"Non-PRC Restricted Subsidiary" means a Restricted Subsidiary other than a PRC Restricted Subsidiary.

"*Obligations*" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"*Officer*" means one of the executive officers of GCX Holdings.

"*Officers' Certificate*" means a certificate signed by an Officer of GCX.

"*Opinion of Counsel*" means a written opinion from legal counsel which opinion is acceptable to the Trustee that meets the requirements of the Indenture.

"Original Issue Date" means August 1, 2014.

"*Permitted Business*" means the business or businesses conducted by GCX Holdings and its Restricted Subsidiaries as of the date of the Indenture and any business reasonably ancillary, complimentary, similar or related thereto.

"*Permitted Holder*" means RCOM or any Person both the Capital Stock and Voting Stock of which (or in the case of a trust the beneficial interests in which) are wholly-owned by RCOM.

"*Permitted Investments*" means:

(1) Investments by GCX Holdings in any Restricted Subsidiary or (ii) by any Restricted Subsidiary of GCX Holdings in GCX Holdings (or in any Person that, as a result of the relevant Investment (x) becomes a Restricted Subsidiary or (y) is merged, amalgamated or consolidated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, GCX Holdings or a Restricted Subsidiary);

(2) any Investment in Cash Equivalents;

(3) any Investment (a) made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with the covenant described above under the caption "— Repurchase at the Option of Holders — Asset Sales" or (b) received in connection with an Event of Loss;

(4) any acquisition of assets or Capital Stock solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of GCX Holdings;

(5) any Investments received in compromise or resolution of (a) obligations of trade creditors or customers that were incurred in the ordinary course of business of GCX or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer or (b) any litigation, arbitration or other dispute;

(6) Investments represented by Hedging Obligations;

(7) loans or advances to employees made in the ordinary course of business of GCX or any Restricted Subsidiary of GCX in an aggregate principal amount not to exceed US$1.0 million at any one time outstanding;

(8) Investments by GCX or any of its Restricted Subsidiaries in any third-party financial institution in the form of cash deposits, pursuant to which an amount equivalent to such investment is lent by such financial institution, including any affiliates thereof, to another Restricted Subsidiary of GCX; *provided* that such Investment would have been permitted pursuant to clause (1) above or (18) below if such Investment had been a direct Investment by GCX or the Restricted Subsidiary making such cash deposit into the Restricted Subsidiary receiving the loan from such financial institution;

(9) repurchases of the Zero Coupon Notes and related guarantees;

(10) netting of intercompany balances, including changing underlying currencies, and/or conversion of intercompany balances into capital contributions among GCX and its Restricted Subsidiaries (in each case to the extent the making of such intercompany balances constituted an Investment when made) in transactions that do not involve the transfer of any cash or assets (other than the conversion of intercompany receivables into a capital contribution) and consistent with the practices and policies of GCX in effect on the date of the Indenture;

(11) any Investment (including Investments in Subsidiaries) existing on, or made pursuant to written agreements existing on, the date of the Indenture and any Investment consisting of an extension or renewal of any Investment existing on, or made pursuant to a written agreement existing on, the date of the Indenture; *provided*, however, that this clause (11) shall not apply to any such written agreements or extensions or renewals providing for Investments by GCX or a Non-PRC Restricted Subsidiary in a Subsidiary (including PRC Restricted Subsidiaries) which is organized under the laws of the People's Republic of China;

(12) an Investment in an Unrestricted Subsidiary consisting solely of an Investment in another Unrestricted Subsidiary;

(13) pledges or deposits (a) with respect to leases or utilities provided to third parties in the ordinary course of business or (b) otherwise described in the definition of "Permitted Liens" or made in connection with Liens permitted under the covenant set forth under the caption "— Certain Covenants — Liens";

(14) advances or deposits made by GCX Holdings or any of its Restricted Subsidiaries to contractors and suppliers for the acquisition or construction of assets or acquisition of consumables or services in the ordinary course of business;

(15) deposits made in order to secure the performance of GCX or any of its Restricted Subsidiaries and prepayments made in connection with the acquisition of real property, land use rights or intellectual property by GCX or any of its Restricted Subsidiaries, in each case, in the ordinary course of business;

(16) deposits made by GCX or any of its Restricted Subsidiaries in the ordinary course of business in order to comply with statutory or regulatory obligations to maintain deposits for the purposes specified by statute or regulation from time to time;

(17) guarantees of Indebtedness permitted to be incurred under the covenant set forth under the caption "— Certain Covenants — Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock";

(18) Investments made after the date of the Indenture in any Restricted Subsidiaries incorporated in India or the PRC, having an aggregate Fair Market Value, when taken together with all other Investments made pursuant to this clause (18) that are at the time outstanding, not to exceed US$15.0 million; and

(19) other Investments made after the date of the Indenture in any Person engaged in a Permitted Business having an aggregate Fair Market Value, when taken together with all other Investments made pursuant to this clause (19) that are at the time outstanding, not to exceed US$15.0 million; *provided* that the aggregate amount of Investments outstanding at any time pursuant to this clause (19) shall be reduced (without reducing the aggregate availability of this clause (19)) by an amount equal to the net reduction of Investments made by GCX and its Restricted Subsidiaries pursuant to this clause (19) after the date of the Indenture resulting from, without duplication (a) repayments of loans or advances or payment of return of equity contributions in the form of dividends or distributions, as the case may be, in each case to GCX or any Restricted Subsidiary, from such Investment, (b) the net cash proceeds received by GCX or any Restricted Subsidiary from the sale of such Investment, (c) a redesignation of an Unrestricted Subsidiary that was the recipient of such Investment as a Restricted Subsidiary so long as at such time such Investment would not constitute a Restricted Investment by such Unrestricted Subsidiary that is redesignated, in any such case described in clauses (a) through (c) above, not to exceed the amount of the Investment previously made by GCX or any of its Restricted Subsidiaries in such Person in reliance on this clause (19),

excluding in each case any Investment, directly or indirectly, in (i) any parent of GCX Holdings, (ii) any Permitted Holder, (iii) any Affiliate of any Permitted Holder (other than GCX Holdings or a Restricted Subsidiary) or (iv) any Unrestricted Subsidiary (if the Investment in such Unrestricted Subsidiary is directly or indirectly used to declare or pay any dividend or make any other payment or distribution to any person specified in clauses (i), (ii) or (iii) of this definition).

"*Permitted Liens*" means:

(1) [Reserved];

(2) Liens for taxes, assessments, governmental charges or claims that are being contested in good faith by appropriate legal or administrative proceedings promptly instituted and diligently conducted and for which a reserve or other appropriate provision, if any, as will be required in conformity with GAAP will have been made;

(3) statutory and common law Liens of landlords and carriers, warehousemen, mechanics, suppliers, materialmen, repairmen or other similar Liens arising in the ordinary course of business and with respect to amounts not yet delinquent or being contested in good faith by appropriate legal or administrative proceedings promptly instituted and diligently conducted and for which a reserve or other appropriate provision, if any, as will be required in conformity with GAAP will have been made;

(4) Liens incurred or deposits made to secure the performance of tenders, bids, leases, statutory or regulatory obligations, bankers' acceptances, surety and appeal bonds, government contracts, performance and return-of-money bonds and other obligations of a similar nature incurred in the ordinary course of business (exclusive of obligations for the payment of borrowed money);

(5) leases or subleases granted to others that do not materially interfere with the ordinary course of business of GCX and the Restricted Subsidiaries, taken as a whole;

(6) (a) Liens on property of, or on shares of Capital Stock or Indebtedness of, any Person existing at the time such Person (i) becomes a Restricted Subsidiary or (ii) is merged with or into or consolidated with GCX or any Restricted Subsidiary; *provided* that such Liens do not extend to or cover any property or assets of GCX or any Restricted Subsidiary other than the property or assets of such Person (if such Person becomes a Restricted Subsidiary) or the property or assets acquired by GCX or such Restricted Subsidiary (if such Person is merged with or into or consolidated with GCX or such Restricted Subsidiary); *provided* further that such Liens were not created in contemplation of or in connection with the transactions or series of transactions pursuant to which such Person became a Restricted Subsidiary and (b) Liens on property existing at the time of acquisition of the property by GCX or any Subsidiary of GCX; *provided* that such Liens were not created in contemplation of or in connection with such acquisition;

(7) Liens in favor of GCX Holdings or any Restricted Subsidiary;

(8) Liens arising from the rendering of a final judgment or order against GCX Holdings or any Restricted Subsidiary that do not give rise to an Event of Default;

(9) Liens securing reimbursement obligations with respect to letters of credit, performance and surety bonds and completion guarantees that encumber documents and other property relating to such letters of credit and the products and proceeds thereof;

(10) Liens existing on the Original Issue Date, including, but not limited to, any Liens securing the GCX Secured Notes;

(11) Liens securing any Permitted Refinancing Indebtedness which is Incurred to refinance Indebtedness of GCX or any of its Restricted Subsidiaries (which is subject to a Permitted Lien), which Permitted Refinancing Indebtedness is permitted to be Incurred under clause (3)(b) of the second paragraph of the covenant described under "— Certain Covenants — Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock," *provided* that such Liens do not extend to or cover any property or assets of GCX or any Restricted Subsidiary other than the property or assets securing the Indebtedness being refinanced;

(12) Liens securing Hedging Obligations permitted to be Incurred under clause (6) of the second paragraph of the covenant described under "— Certain Covenants — Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock," *provided* that (i) Indebtedness relating to any such Hedging Obligation is, and is permitted under the covenant described under "— Certain Covenants — Limitation on Liens" to be, secured by a Lien on the same property securing such Hedging Obligation or (ii) such Liens are encumbering customary initial deposits or margin deposits or are otherwise within the general parameters customary in the industry;

(13) Liens securing Attributable Debt permitted to be Incurred under the covenant described above under the caption "— Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock";

(14) Liens securing Indebtedness permitted under clause (13) of the second paragraph of the covenant described under "— Certain Covenants — Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock," *provided* that (i) such Liens extend to or cover only the equipment, property or asset whose purchase, or the personal property whose development, construction or improvement, is to be financed with such Indebtedness, as the case may be; (ii) such Liens are Incurred in the ordinary course of business; and (iii) such Liens are created no later than 90 days after the acquisition of such equipment, property or asset or the

completion of development, construction or improvement of such personal property, as the case may be;

(15) [Reserved];

(16) survey exceptions, encumbrances, easements or reservations of, or rights of others for, licenses, rights-of-way, leases, sewers, electric lines, gas lines, telegraph and telephone lines and other similar purposes, or zoning or building codes or other restrictions (including, without limitation, minor defects or irregularities in title and similar encumbrances) or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of GCX Holdings and its Restricted Subsidiaries;

(17) security given in the ordinary course of business (and not in connection with the borrowing of money or the obtaining of credit) to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or governmental or other authority in connection with the operations of GCX Holdings and its Restricted Subsidiaries;

(18) Liens incurred or pledges or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security and employee health and disability benefits;

(19) Liens arising out of conditional sale, title retention consignment or similar arrangements for the sale of goods entered into by GCX Holdings or any of its Restricted Subsidiaries in the ordinary course of business in accordance with past practice;

(20) bankers' Liens, rights of setoff and other similar Liens existing solely with respect to cash and cash equivalents on deposit in one or more accounts maintained by GCX Holdings granted in the ordinary course of business in favor of the bank or banks with which such accounts are maintained, securing amounts owing to such bank with respect to cash management and operating account arrangements, including those involving pooled accounts, netting arrangements or sweep accounts; provided that, unless such Liens are non-consensual and arise by operation of law, in no case will any such Liens secure (directly or indirectly) the repayment of any Indebtedness;

(21) Liens relating to purchase orders and other agreements entered into with customers of GCX Holdings or any of its Restricted Subsidiaries in the ordinary course of business;

(22) Liens on equipment of GCX or any Restricted Subsidiary and located on the premises of any client or supplier in the ordinary course of business;

(23) Liens in connection with any disposition of Capital Stock of a Restricted Subsidiary pursuant to Indian regulatory or shareholding requirements, including, without limitation, the ability to invest proceeds received from the disposition of such Capital Stock to create an escrow account, the ability to pass the control of such escrow account to a third party and the entry into put or call arrangements with third parties;

(24) Liens securing Indebtedness incurred by GCX in the form of any term loans, revolving credit Indebtedness, any bank guarantee facility relating to a guarantee provided to any governmental or regulatory authority or to lessors, contractors or suppliers in connection with the conduct of a Permitted Business and letters of credit under the Facility Agreement or other Credit Facilities and/or securing Hedging Obligations of GCX with respect thereto and/or

securing obligations under Treasury Management Arrangements with respect thereto, in an aggregate principal amount at any one time outstanding under this clause (24) (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of GCX) not to exceed US$50 million;

(25) Liens in connection with the Incurrence by GCX or any of its Restricted Subsidiaries of Indebtedness represented by mortgage financings or vendor financings, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of design, construction, installation or improvement of property, plant or equipment used in the business of GCX or any of its Restricted Subsidiaries, in an aggregate principal amount at any time outstanding under this clause (25), not to exceed US$50 million;

(26) Liens constituting any interest of title of a lessor, a licensor or either's creditors in the property subject to any lease (other than a capital lease), and leases, subleases, licenses or sublicenses granted to any other Person that do not materially interfere with the ordinary course of business of GCX or any Restricted Subsidiary of GCX;

(27) Liens arising from Uniform Commercial Code financing statement filings (or similar filings in other applicable jurisdictions) regarding operating leases entered into by GCX and its Restricted Subsidiaries in the ordinary course of business;

(28) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation or export of goods in the ordinary course of business;

(29) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Indebtedness;

(30) Liens on Capital Stock or assets of a India Restricted Subsidiary securing India Limited Recourse Debt or of a PRC Restricted Subsidiary securing PRC Limited Recourse Debt, in each case, incurred pursuant to (16) of the second paragraph of the covenant set forth above under the caption "— Certain Covenants — Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock";

(31) Liens securing Indebtedness incurred pursuant to clause (17) of the second paragraph of the covenant set forth above under the caption "— Certain Covenants — Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock";

(32) Liens on the assets or Equity Interest of a Restricted Subsidiary of GCX incurred pursuant to clause (18) of the second paragraph of the covenant set forth above under the caption "— Certain Covenants — Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock";

(33) Liens on the assets or Equity Interest of Restricted Subsidiary of GCX incurred pursuant to clause (19) of the second paragraph of the covenant set forth above under the caption "— Certain Covenants — Limitation on Incurrence of Indebtedness and Issuance of Preferred Stock";

(34) Liens not otherwise permitted pursuant to the preceding clauses (1) through (33) securing obligations that do not exceed US$5.0 million in aggregate at any one time outstanding.

"*Permitted Refinancing Indebtedness*" means any Indebtedness of GCX Holdings or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to renew, refund, refinance,

replace, defease or discharge other Indebtedness of GCX Holdings or any of its Restricted Subsidiaries (other than intercompany Indebtedness); *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Zero Coupon Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to, the Zero Coupon Notes on terms at least as favorable to the holders of Zero Coupon Notes as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) such Indebtedness is incurred either by GCX Holdings or by the Restricted Subsidiary of GCX Holdings that is the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged,

provided further that (and notwithstanding any other term of the Indenture) Permitted Refinancing Indebtedness shall not include Indebtedness of GCX Holdings or a Restricted Subsidiary that refinances Indebtedness of an Unrestricted Subsidiary.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"*PRC Restricted Subsidiary*" means any Restricted Subsidiary which is organized under the laws of the People's Republic of China.

"*PRC Limited Recourse Debt*" means Indebtedness as to which neither GCX Holdings nor any of its Restricted Subsidiaries other than PRC Restricted Subsidiaries (a) provides credit support of any kind (including security of any kind or any undertaking, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable as a guarantor or otherwise.

"*PRC Restricted Subsidiary*" means Vanco (Shanghai) Co. Limited and any other Restricted Subsidiary which is organized under the laws of the People's Republic of China.

"Qualified Jurisdiction" means each of Bermuda, the British Virgin Islands, the Cayman Islands, Hong Kong, Singapore and the United Kingdom.

"Rating Agencies" means (1) Moody's, (2) Fitch and (3) if Moody's or Fitch or each of them shall not make a rating of the Zero Coupon Notes publicly available, a nationally recognized securities rating agency or agencies, as the case may be, selected by the Company, which shall be substituted for Moody's or Fitch or both, as the case may be.

"Rating Category" means (1) with respect to Moody's, any of the following categories: "Ba," "B," "Caa," "Ca," "C" and "D" (or equivalent successor categories); (2) with respect to Fitch, any of the following categories: "BB", "B", "CCC", "CC", "C" and "D" (or equivalent successor categories); and (3) the equivalent

of any such category of Moody's or Fitch used by another Rating Agency. In determining whether the rating of the Zero Coupon Notes has decreased by one or more gradations, gradations within Rating Categories ("1", "2" and "3" for Moody's; "+" and "-" for Fitch; or the equivalent gradations for another Rating Agency) shall be taken into account (e.g., with respect to Fitch, a decline in a rating from "BB+" to "BB," as well as from "BB-" to "B+", will constitute a decrease of one gradation).

"Rating Date" means (1) in connection with a Change of Control Triggering Event, that date which is 90 days prior to the earlier of (x) a Change of Control and (y) a public notice of the occurrence of a Change of Control or of the intention by the Company or any other Person or Persons to effect a Change of Control or (2) in connection with actions contemplated under the caption "— Merger, Amalgamation, Consolidation or Sale of Assets", that date which is 90 days prior to the earlier of (x) the occurrence of any such actions as set forth therein and (y) a public notice of the occurrence of any such actions.

"Rating Decline" means

(1) in connection with a Change of Control Triggering Event, the occurrence on, or within six months after, the date, or public notice of the occurrence of, a Change of Control or the intention by the Company or any other Person or Persons to effect a Change of Control (which period shall be extended so long as the rating of the Zero Coupon Notes is under publicly announced consideration for possible downgrade by any of the Rating Agencies) of any of the events listed below; or (2) in connection with actions contemplated under the caption "— Merger, Amalgamation, Consolidation and Sale of Assets", the notification by any of the Rating Agencies that such proposed actions will result in any of the events listed below:

(a) in the event the Zero Coupon Notes are rated by each of Moody's and Fitch on the Rating Date as Investment Grade, the rating of the Zero Coupon Notes by either Rating Agency shall be below Investment Grade;

(b) in the event the Zero Coupon Notes are rated by either, but not both, of the Rating Agencies on the Rating Date as Investment Grade, the rating of the Zero Coupon Notes by such Rating Agency shall be below Investment Grade; or

(c) in the event the Zero Coupon Notes are rated below Investment Grade by each of the Rating Agencies on the Rating Date, the rating of the Zero Coupon Notes by any Rating Agency shall be decreased by one or more gradations (including gradations within Rating Categories as well as between Rating Categories),

provided, that if the Zero Coupon Notes are not rated by the Rating Agencies, reference herein shall be to the ratings of the GCX Secured Notes or if the GCX Secured Notes are not rated, any other capital markets instrument of GCX.

"*Real Property*" means (i) any real or immovable property of GCX Holdings or any of its Restricted Subsidiaries (whether leasehold or otherwise) and (ii) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such real or immovable property, including, in each case, all Related Rights.

"*Related Rights*" means, in relation to any asset, (i) the proceeds of sale of any part of that asset, (ii) all rights under any licence, agreement for sale or agreement for lease in respect of that asset, (iii) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset and (iv) any monies and proceeds paid or payable in respect of that asset.

"*Restricted Investment*" means an Investment other than a Permitted Investment.

"*Restricted Subsidiary*" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

"Sale and Leaseback Transaction" means any direct or indirect arrangement relating to property (whether real, personal or mixed), now owned or hereafter acquired whereby GCX Holdings or any Restricted Subsidiary transfers such property to another Person and GCX Holdings or any Restricted Subsidiary leases it from such Person.

"*SCB Facility*" means that certain US$700 million credit facility entered into by, among others, Standard Chartered Bank and Reliance Globalcom B.V. on July 2014.

"*SCB Facility Discharge Event*" means the date of repayment, repurchase, redemption, defeasance or other discharge of the SCB Facility and the corresponding discharge of the collateral securing the SCB Facility.

"*Significant Subsidiary*" means any Subsidiary (1) that would be a "significant subsidiary" pursuant to clause (1) or (2) of the definition thereof as set forth in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date of the Indenture, or (2) the total consolidated revenues of which for the most recently ended four full fiscal quarters for which GCX Holdings' internal financial statements are available at the time constituted greater than 5% of the total revenues of GCX Holdings and its Subsidiaries for such period. "*S&P*" means Standard & Poor's Ratings Group.

"*Stated Maturity*" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the date of the Indenture, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof; *provided* that in the case of any Indebtedness on which payment of interest or principal is due upon demand by the obligee thereof, the Stated Maturity of such installment of interest or principal shall be the date on which demand for payment is made.

"*Submarine Cable Project"* means any project for construction of any new submarine cable system(s), designed to form part of the GCX Global Network, including, but not limited to (a) construction of the Eagle cable systems, connecting India with, respectively, Europe and Hong Kong, (b) any construction, installation or improvement of the existing subsea elements of the GCX Global Network, and (c) in each case the construction and/or any installation or improvement of any corresponding terrestrial segments.

"*Subordinated Indebtedness*" means Indebtedness of GCX Holdings that is contractually subordinated in right of payment (by the terms of any documents or instrument relating thereto) to the Zero Coupon Notes.

"*Subsidiary*" means, with respect to any specified Person:

(1) any corporation, association or other business entity (a) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or shareholders' or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof) or (b) which is "controlled" and consolidated by that Person in accordance with GAAP. For purposes of this definition, "control", as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; or

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

"Trade Payables" means, with respect to any Person, any accounts payable or any other indebtedness or monetary obligation to trade creditors created, assumed or Guaranteed by such Person or any of its Subsidiaries arising in the ordinary course of business in connection with the acquisition of goods or services and payable within 180 Business Days.

"Temporary Cash Investment" means any of the following:

(1) direct obligations of the United States of America, any state of the European Economic Area, the People's Republic of China and Hong Kong or any agency of the foregoing or obligations fully and unconditionally guaranteed by the United States of America, any state of the European Economic Area, the People's Republic of China and Hong Kong or any agency of the foregoing, in each case maturing within one year;

(2) demand or time deposit accounts, certificates of deposit and money market deposits maturing within 180 days of the date of acquisition thereof issued by a bank or trust company which is organized under the laws of the United States of America or any state thereof, any state of the European Economic Area Switzerland, Australia, Japan, Korea, Brazil, Singapore, India or Hong Kong, and which bank or trust company has capital, surplus and undivided profits aggregating in excess of US$100.00 million (or the Dollar Equivalent thereof) and has outstanding debt which is rated "A" (or such similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Rule 436 under the Securities Act) or any money market fund sponsored by a registered broker dealer or mutual fund distributor;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) above entered into with a bank or trust company meeting the qualifications described in clause (2) above;

(4) commercial paper, maturing within 180 days of the date of acquisition thereof, issued by a corporation (other than an Affiliate of the Company) organized and in existence under the laws of the United States of America, any state thereof or any foreign country recognized by the United States of America with a rating at the time as of which any investment therein is made of "P-1" (or higher) according to Moody's or "A-1" (or higher) according to S&P;

(5) securities, maturing within one year of the date of acquisition thereof, issued or fully and unconditionally guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof and rated at least "A" by S&P or Moody's;

(6) any money market fund that has at least 95% of its assets continuously invested in investments of the types described in clauses (1) through (5) above; and

(7) demand or time deposit accounts, certificates of deposit, overnight or call deposits and money market deposits with (i) Bank of China, The Hong Kong and Shanghai Banking Corporation Limited, Industrial and Commercial Bank of China, Standard Chartered Bank (Hong Kong) Ltd, Barclays Bank, Mitsubishi Sumitomo Bank, Korean Exchange Bank, Taiwan Business Bank, Bank of Bermuda and the State Bank of India; (ii) any other bank or trust company organized under the laws of the Bermuda, Hong Kong, India, Japan, Korea, the PRC and Taiwan, whose long-term debt rating by Moody's or S&P is as high or higher than any of those banks listed in clause (i) of this paragraph; or (iii) any other bank or trust company organized under the laws of Bermuda, Egypt, Greece, Hong Kong India, the PRC, Taiwan, Thailand or the United Arab Emirates, provided that, in the case of this clause (iii), such deposits do not exceed US$10.0 million (or the Dollar Equivalent thereof) with any single

bank or US$30.0 million (or the Dollar Equivalent thereof) in the aggregate on any date of determination.

"*Total Assets*" of any Person as of any date means the total assets of such Person as of the end of the most recent fiscal quarter for which internal financial statements are available and determined in accordance with GAAP.

"*Treasury Management Arrangement*" means any agreement or other arrangement governing the provision of treasury or cash management services, including deposit accounts, overdraft lines or other similar arrangements, credit or debit card, funds transfer, automated clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, lockbox, account reconciliation and reporting and trade finance services and other cash management services.

"*Unrestricted Subsidiary*" means any Subsidiary of GCX Holdings that is designated as an Unrestricted Subsidiary in compliance with the covenant set forth under the caption "— Certain Covenants — Designation of Restricted and Unrestricted Subsidiaries".

"*Voting Stock*" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"*Weighted Average Life to Maturity*" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

TRANSFER RESTRICTIONS

The Zero Coupon Notes are subject to restrictions on transfer as summarized below. By purchasing the Zero Coupon Notes, you will be deemed to have made the following acknowledgements and representations to, and agreements with, the Issuer:

1. You acknowledge that:

- the Zero Coupon Notes have not been and will not be registered under the U.S. Securities Act or any other securities laws and are being offered for resale in transactions that do not require registration under the U.S. Securities Act or any other securities laws; and

- unless so registered, the Zero Coupon Notes may not be offered, sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act or any other applicable securities laws, and, in each case, in compliance with the conditions for transfer set forth in paragraph (4) below.

2. You represent that (i) you are not an affiliate (as defined in Rule 144 under the U.S. Securities Act) of the Issuer, (ii) you are not acting on behalf of the Issuer, (iii) and you are not located or resident in the United States and are not a U.S. person, (iii) you are not an agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions with respect to the Tender and Exchange Offer from within the United States or for a U.S. person, and (iv) you are purchasing Zero Coupon Notes in an offshore transaction in accordance with Regulation S.

3. You acknowledge that none of the Issuer or any person representing the Issuer has made any representation to you with respect to the Issuer or the offering of the Zero Coupon Notes, other than the information contained in this Offering Circular. You represent that you are relying only on this Offering Circular in making your investment decision with respect to the Zero Coupon Notes.

4. You represent that you are purchasing Zero Coupon Notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case not with a view to, or for an offer for sale in connection with, any distribution of the Zero Coupon Notes in violation of the U.S. Securities Act. You agree on your own behalf and on behalf of any investor account for which you are purchasing Zero Coupon Notes, and each subsequent holder of the Zero Coupon Notes by its acceptance of the Zero Coupon Notes will agree, that until the end of the Resale Restriction Period (as defined below), the Zero Coupon Notes may be offered, sold or otherwise transferred only:

- under a registration statement that has been declared effective under the U.S. Securities Act;

- in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S; or

- under any other available exemption from, or in a transaction subject to, the registration requirements of the U.S. Securities Act.

5. You also acknowledge that the Issuer its affiliates and others will rely upon the truth and accuracy at the foregoing acknowledgements, representations and agreements.

RATINGS

The Issuer is not aware of any credit ratings being assigned to the Zero Coupon Notes.

LEGAL MATTERS

Certain legal matters will be passed upon for us by Paul Hastings (Europe) LLP as to United States federal and English law and by Cox Hallett Wilkinson Limited as to Bermuda law.

INDEPENDENT AUDITOR

The historical financial statements of the GCX Group as of March 31, 2018, 2017 and 2016 and for each of the three years in the period ended March 31, 2018, 2017 and 2016 included in this Offering Circular, have been audited by Price Waterhouse, Chartered Accountants, independent auditor, as stated in their report appearing herein.

LISTING OF THE ZERO COUPON NOTES

No application has been made to list the Zero Coupon Notes. The Issuer undertakes to list the Zero Coupon Notes on the SGX-ST within three months of the Settlement Date. The Issuer undertakes to comply with the listing criteria and the rules and regulations of such stock exchange.

For so long as the Zero Coupon Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer will appoint and maintain a paying agent in Singapore, where the Zero Coupon Notes may be presented or surrendered for payment or redemption. In addition, in the event that any of the global bonds is exchanged for individual definitive bonds, announcement of such exchange will be made by or on behalf of the Issuer through the SGX-ST. Such announcement will include all material information with respect to the delivery of the individual definitive bonds, including details of the paying agent in Singapore.

For so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, the Zero Coupon Notes will be traded on the SGX-ST in a minimum board lot size of US$200,000.

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Independent auditor's report

To the Members of GCX Limited

Report on the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements of GCX Limited and its subsidiaries (the Group) present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2018, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Section 84 of the Companies Act, 1981 of Bermuda (the "Act") and International Financial Reporting Standards.

What we have audited

The Group's consolidated financial statements comprise:

-the consolidated statement of financial position as at March 31, 2018;

-the consolidated statement of comprehensive income for the year then ended;

-the consolidated statement of changes in equity for the year then ended;

-the consolidated statement of cash flows for the year then ended; and

-the notes to the consolidated financial statements, which include a summary of significant accounting policies and other explanatory informations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Key Audit Matter	How our audit addressed the key audit matter
Revenue Recognition	
We have identified revenue recognition as a key audit matter as there is a risk of inaccurate classification of long term structured contracts. These contracts can be classified as lease or service contract, depending on the contracted terms. The accounting policies for revenue recognition are set out in Note 2.15 to the consolidated financial statements and the different revenue streams for the Group have been disclosed in Note 15 to the consolidated financial statements.	Our testing of revenue recognition include both test of controls, as well as substantive procedures. • Our test of control was focused on review and classification of customer contracts during its authorisation process and the input of this information in to the billing systems. We tested the access controls and change management controls for the Group's billing systems. • Our substantive procedures include testing of samples of customer invoices to verify that the revenue is recognised in accordance with the terms set out in the customer agreements, in line with the accounting policy of the Company. We have not noted any significant or unresolved exceptions in our testing.

Emphasis of matter paragraph

We draw your attention to Note 32 to the financial statements. The Group has long outstanding trade and other receivables amounting to US$ 143,977,547 from its related parties as mentioned there. No allowance for doubtful debt was made for these balances as of the reporting date since Group have entered into a legally binding term sheet with those related parties to acquire the Data Centre Business owned by RCOM through its subsidiary i.e. Reliance IDC Limited (RIDC) for a consideration of US$ 130,000,000 determined based on the independent fair valuation report. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Act and International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Priyanshu Gundana
Partner
Membership Number: 109553

252 Veer Savarkar Marg,
Shivaji Park,
Dadar (West),
Mumbai 400 028, India.

Date: July 16, 2018
Place: Mumbai

GLOBAL CLOUD XCHANGE
A RELIANCE COMPANY

GCX Limited

Consolidated Financial Statements as of and for the year ended March 31, 2018

GCX Limited

Consolidated Financial Statements

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(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Financial Position

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
Assets			
Non-current Assets			
Property, plant and equipment	4	878,233,827	934,868,269
Capital work-in-progress	5	52,611	181,371
Intangible assets	6	106,082,979	117,236,403
Intangible assets under development	5	3,300,000	-
Trade and other receivables	7	17,309,877	13,877,300
Current tax assets		1,899,158	2,231,888
Deferred tax assets	21	77,799	925,746
Total Non-current Assets		**1,006,956,251**	**1,069,320,977**
Current Assets			
Trade and other receivables	7	273,394,134	255,805,764
Cash and cash equivalents	8	47,571,142	62,948,786
Total Current assets		**320,965,276**	**318,754,550**
Total Assets		**1,327,921,527**	**1,388,075,527**
Equity and Liabilities			
Equity attributable to the owners of the GCX Group			
Share capital	9	235,322,790	235,322,790
Share premium	9	104,163,499	104,163,499
Retained earnings	9	(145,043,750)	(149,871,829)
Foreign currency translation reserve	9	(70,803,972)	(70,542,730)
Other reserves	9	72,816,469	72,816,469
Total equity attributable to the owners of the GCX Group		**196,455,036**	**191,888,199**
Non-controlling interest		(2,613,491)	(2,685,333)
Total Equity		**193,841,545**	**189,202,866**





GCX Limited –Consolidated Financial Statements

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Financial Position

Particulars		As at March 31, 2018	As at March 31, 2017
Liabilities			
Non- current Liabilities			
Borrowings	10	348,982,875	358,415,858
Trade and other payables	12	1,491,792	1,533,721
Deferred revenue	13	441,923,158	483,722,106
Asset retirement obligation	14	21,282,386	20,904,782
Deferred tax liabilities	21	979,018	1,295,525
Total Non-current Liabilities		**814,659,229**	**865,871,992**
Current Liabilities			
Borrowings	10	4,083,334	15,541,423
Trade and other payables	12	167,425,223	174,750,522
Deferred revenue	13	146,606,554	140,995,813
Current tax liabilities		1,305,642	1,712,911
Total Current Liabilities		**319,420,753**	**333,000,669**
Total Liabilities		**1,134,079,982**	**1,198,872,661**
Net Assets		**193,841,545**	**189,202,866**
Total Equity and Liabilities		**1,327,921,527**	**1,388,075,527**

The accompanying notes form an integral part of these Consolidated Financial Statements.

Rory Cole
Chief Financial Officer
Date: July 16, 2018
Place: London

Rodney Riley
Director
Date: July 16, 2018
Place: London.

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

GCX LIMITED

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Comprehensive Income

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Continuing Operations			
REVENUE			
Service revenue	15	361,853,834	403,109,629
Other income	16	7,342,833	3,471,989
Total Revenue		**369,196,667**	**406,581,618**
EXPENSES			
Network operation expenses	17	170,924,167	192,215,412
Employee cost	18	61,782,576	56,688,828
Depreciation and amortisation	4,6	82,565,555	78,786,226
Impairment of goodwill	6	-	69,460,848
Other expenses	19	23,982,922	28,194,707
Total Expenses		**339,255,220**	**425,346,021**
Operating Profit/ (Loss)		**29,941,447**	**(18,764,403)**
Finance income	20	45,477	66,772
Finance costs	20	(27,867,033)	(27,930,711)
Finance cost, net		**(27,821,556)**	**(27,863,939)**
(Loss)/ Gain on foreign currency fluctuation (net)		(2,445,454)	1,356,209
(Loss) before income tax		**(325,563)**	**(45,272,133)**
Income Tax (charge)/ credit (including reversal of provisions relating to earlier years US$768,329, March 2017: US$211,652)	21	(639,463)	874,190
Net (Loss) from continuing operations		**(965,026)**	**(44,397,943)**
Discontinued operation			
Profit/ (Loss) from discontinued operation attributable to the owners of GCX Group	28A	5,864,947	(192,225,898)
Net Profit/ (Loss) from operations		**4,899,921**	**(236,623,841)**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Exchange difference on translation of foreign operations		(261,242)	(11,167,950)
Total other comprehensive income for the year		**(261,242)**	**(11,167,950)**
Total comprehensive income for the year		**4,638,679**	**(247,791,791)**

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

GCX LIMITED

GCX Limited –Consolidated Financial Statements

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Comprehensive Income

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
Net Profit/ (Loss) attributable to:			
Owners of GCX Group		4,828,079	(236,725,611)
Non-controlling Interest		71,842	101,770
Total Net Profit/ (Loss)		**4,899,921**	**(236,623,841)**
Total Other comprehensive income attributable to:			
Owners of GCX Group		(261,242)	(11,167,950)
Non-controlling Interest		-	-
Total Other comprehensive income		**(261,242)**	**(11,167,950)**
Total comprehensive income attributable to:			
Owners of GCX Group		4,566,837	(247,893,561)
Non-controlling Interest		71,842	101,770
Total comprehensive income		**4,638,679**	**(247,791,791)**
Net Profit/ (Loss) attributable to:			
Owners of GCX Group			
Continuing operations		(1,036,868)	(44,499,713)
Discontinued operation		5,864,947	(192,225,898)
Total		**4,828,079**	**(236,725,611)**
(Loss) per share for (loss) from continuing operations attributable to the owners of GCX Group	24	(0.004)	(0.189)
Earnings/ (Loss) per share for profit/(loss) from discontinuing operation attributable to the owners of GCX Group	24	0.025	(0.817)
Earnings/ (Loss) per share for profit/(loss) attributable to the owners of GCX Group	24	0.021	(1.006)

The accompanying notes form an integral part of these Consolidated Financial Statements.

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

Rory Cole
Chief Financial Officer
Date: July 16, 2018
Place: London

Rodney Riley
Director
Date: July 16, 2018
Place: London.

GCX LIMITED

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Cash Flows

	Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
(A)	**CASH FLOW FROM OPERATING ACTIVITIES:**			
	(Loss)/Profit after tax from			
	- Continuing operations		(965,026)	(44,397,943)
	- Discontinued operation		5,864,947	(192,225,898)
	Profit/ (Loss) after tax including discontinued operation		**4,899,921**	**(236,623,841)**
	Adjustments for:			
	Depreciation and amortisation	4,6	83,545,441	82,760,712
	Impairment of goodwill	6	-	69,460,848
	Loss on disposal of discontinued operation	28C	-	188,083,834
	Gain on cancellation of finance lease liability	16,28A	-	(77,336)
	Finance income	20,28A	(46,949)	(68,154)
	Finance cost	20,28A	28,282,955	28,659,321
	Income tax charged/ (credit)	21,28A	639,463	(4,825,564)
	Operating Profit before Working Capital Changes		**117,320,831**	**127,369,820**
	Changes in Working Capital:			
	(Increase) in Trade and other receivables		(21,060,071)	(16,697,600)
	(Decrease) in Trade and other payables		(8,251,919)	(22,213,054)
	(Decrease) in Deferred revenue		(36,194,078)	(55,283,948)
	Net cash generated from operating activities before income tax		**51,814,763**	**33,175,218**
	Income tax paid (net of refunds received)		(182,562)	(2,018,627)
	Net Cash generated from Operating Activities (A)		**51,632,201**	**31,156,591**
(B)	**CASH FLOW USED IN INVESTING ACTIVITIES:**			
	Purchase of property, plant and equipment and intangibles		(29,982,080)	(21,446,308)
	Interest received	20,28A	46,949	68,154
	Net Cash used in Investing Activities (B)		**(29,935,131)**	**(21,378,154)**
(C)	**CASH FLOW FROM FINANCING ACTIVITIES:**			
	Repayment of finance lease liabilities		(578,562)	(1,416,898)
	Interim dividend paid		-	(15,002,430)
	Proceeds from Revolving credit facility (Bank Loan)	10	-	10,000,000
	Repayment of Revolving credit facility (Bank Loan)	10	(10,000,000)	-
	Credit facility charges paid	20,28A	(82,444)	(417,851)
	Interest on Notes paid	20,28A	(24,500,000)	(24,500,000)
	Interest paid on finance lease liability	20,28A	(415,922)	(728,610)
	Interest on Revolving credit facility	20,28A	(112,105)	-
	Interest paid others	20,28A	(1,031)	(23,563)
	Net Cash used in Financing Activities (C)		**(35,690,064)**	**(32,089,352)**
	Net (Decrease) in Cash and Cash Equivalents (A+B+C)		**(13,992,994)**	**(22,310,915)**

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

GCX LIMITED

Consolidated Statement of Cash Flows

Particulars		For the year ended March 31, 2018	For the year ended March 31, 2017
Foreign currency fluctuation		(1,384,650)	1,849,561
Cash and cash equivalents at beginning of the year	8	62,948,786	83,410,140
Cash and cash equivalents at end of the year	8	47,571,142	62,948,786

The accompanying notes form an integral part of these Consolidated Financial Statements.

Note:

1. Cash flow related to discontinued operations are disclosed in Note 28B.

Reconciliation of non-cash changes from financing activities

The table below details changes in the GCX's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the GCX's consolidated statement of cash flows as cash flows from financing activities.

	Finance Lease Liabilities	7% Senior Secured Notes due 2019	Loan from Bank (Revolving Credit Facility)	Total
As at April 1, 2017	13,568,967	350,316,069	10,072,245	373,957,281
Principal and Interest payment*	(994,484)	(24,500,000)	(10,112,105)	(35,606,589)
Non Cash changes				
Cancellation of finance lease	(12,990,405)	-	-	(12,990,405)
Accretion of notes issue expenses	-	2,750,140	-	2,750,140
Interest accruals and payment	415,922	24,500,000	39,860	24,955,782
As at March 31, 2018	-	**353,066,209**	-	**353,066,209**

*The principal and interest payment make up the net amount of repayments of borrowings and interest thereon in the statement of cash flows.

Rory Cole
Chief Financial Officer
Date: July 16, 2018
Place: London

Rodney Riley
Director
Date: July 16, 2018
Place: London.

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

GCX LIMITED

GCX Limited –Consolidated Financial Statements

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Changes in Equity

	Attributable to the owners of GCX Group							
	Share Capital	Share Premium	Retained Earnings	Foreign currency translation reserve	Capital Reserves	Total	Non-controlling interests	Total Equity
Balance as at April 1, 2017	**235,322,790**	**104,163,499**	**(149,871,829)**	**(70,542,730)**	**72,816,469**	**191,888,199**	**(2,685,333)**	**189,202,866**
Comprehensive income								
Net profit for the year (a)	-	-	4,828,079	-	-	4,828,079	71,842	**4,899,921**
Other comprehensive income								
Foreign currency translation reserve	-	-	-	(261,242)	-	(261,242)	-	**(261,242)**
Total other comprehensive income (b)	-	-	-	**(261,242)**	-	**(261,242)**	-	**(261,242)**
Total comprehensive income (a + b)	-	-	**4,828,079**	**(261,242)**	-	**4,566,837**	**71,842**	**4,638,679**
Balance as at March 31, 2018	**235,322,790**	**104,163,499**	**(145,043,750)**	**(70,803,972)**	**72,816,469**	**196,455,036**	**(2,613,491)**	**193,841,545**

Price Waterhouse
Chartered Accountants
FRN 30[illegible]12E
Mumbai

GCX LIMITED

GCX Limited –Consolidated Financial Statements

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Changes in Equity

	Attributable to the owners of GCX Group							
	Share Capital	Share Premium	Retained Earnings	Foreign currency translation reserve	Capital Reserves	Total	Non-controlling interests	Total Equity
Balance as at April 1, 2016	**235,322,790**	**104,163,499**	**86,853,782**	**(59,374,780)**	**72,816,469**	**439,781,760**	**(2,787,103)**	**436,994,657**
Comprehensive income								
Net Loss for the year (a)	-	-	(236,725,611)	-	-	(236,725,611)	101,770	**(236,623,841)**
Other comprehensive income								
Foreign currency translation reserve	-	-	-	(11,167,950)	-	(11,167,950)	-	**(11,167,950)**
Total other comprehensive income (b)	-	-	-	(11,167,950)	-	(11,167,950)	-	**(11,167,950)**
Total comprehensive income (a + b)	-	-	**(236,725,611)**	**(11,167,950)**	-	**(247,893,561)**	**101,770**	**(247,791,791)**
Balance as at March 31, 2017	**235,322,790**	**104,163,499**	**(149,871,829)**	**(70,542,730)**	**72,816,469**	**191,888,199**	**(2,685,333)**	**189,202,866**

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

GCX LIMITED

Notes to Consolidated Financial Statements

1) General information

GCX Limited ("GCX") is a wholly owned subsidiary of Global Cloud Xchange Limited, Bermuda (GCXL). The registered address of the Company is Cumberland House, 9th Floor, 1 Victoria Street, Hamilton HM11, Bermuda. GCX is in the business of providing data services, it provides an integrated service to its global customers by leveraging assets and capabilities at following levels:

1. Infrastructure layer: Integrating subsea network along with US and Pan European Domestic Fibre network and data centers;

2. Data connectivity layer: Selling bandwidth capacity on Indefeasible Right of Use ("IRU") and lease basis, network connectivity services including International Private Line, IP Virtual Private Network; and

3. Cloud layer: Selling data center services including co-location services and data center access.

The customer base for Data Services Business include entities requiring a composite service across the various capabilities or any specific asset or service from the offerings described above. The Data Services Business of GCX Group therefore includes an interwoven portfolio of infrastructure and data centre solutions with sophisticated cloud orchestration capabilities. This includes offering a variety of services which include long-term rights of use in capacity, leased capacity services, managed bandwidth services, Internet Protocol ('IP') transit, international private line, IP point-to-point and virtual private network, co-location services, data centre access, managed network solution services and international telecommunication services between sub continents. The customers include established carriers, major public telephone operator or business entities that require such services.

References in these Consolidated Financial Statements to "we" "group" "GCX Group" or "us" refers to "GCX and its Subsidiaries.

2) Summary of significant accounting policies

Basis of preparation

The consolidated financial statements of Group have been prepared in accordance with International Financial Reporting Standards ('IFRS'), as issued by the International Accounting Standards Board ("IASB"). These financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies.

The preparation of Consolidated Financial Statements in accordance with IFRS requires the use of certain critical accounting estimates and judgements. It also requires management to exercise judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Consolidated Financial Statements are disclosed in note 3.

All assets and liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IAS 1. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, operating cycle has been ascertained as 12 months for the purpose of current – non-current classification of assets and liabilities.





Going Concern:

As at March 31, 2018 the GCX Group's current assets exceed its current liabilities by US$1,544,523 and March 31, 2017, current liabilities exceed its current assets by US$14,246,119. Current portion of deferred revenue being classified as current liability which represents obligation to provide future services against up-front cash received by the GCX Group.

The Directors of GCX have prepared these Consolidated Financial Statements on a going concern basis as the GCX Group has earned significant cash profits for the years ended March 31, 2018. Further, in accordance with the overall business plan, the GCX Group has significant unutilized capacity against which it expects to generate sufficient cash in future to be able to meet its obligations as and when they fall due within next 12 months.

2.1 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities, if any) over which GCX Group has control. GCX Group controls an entity when GCX Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is deemed to be transferred to GCX Group. They are deconsolidated from the date that control ceases.

GCX Group consolidates Seoul Telenet Inc. and FLAG Holdings (Taiwan) Limited as it exercises control over ownership and/or composition of Board of Directors.

GCX Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by GCX Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. GCX Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in Statement of Comprehensive Income.

Any contingent consideration to be transferred by GCX Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in Statement of Comprehensive Income or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.





Business combinations between entities under common control is outside the scope of IFRS 3 (Revised) Business Combinations, and is accounted for using predecessor accounting method. The predecessor accounting method requires the financial statements to be prepared using predecessor book values without any step up to fair value. There will likely be a difference between any consideration given and the aggregate book value of the assets and liabilities (as of the date of the transaction) of the acquired entity. This difference is recorded as an adjustment to equity. This may be recorded in retained earnings or as a separate reserve. No additional goodwill is created by the transaction.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the Consolidated Statement of Comprehensive Income.

If GCX group acquires an asset or a group of assets, including any liabilities assumed, that does not constitute a business, then the transaction is outside the scope of IFRS 3 because it cannot meet the definition of a business combination. Such transactions are accounted for as asset acquisitions in which the cost of acquisition is allocated between the individual identifiable assets and liabilities in the group based on their relative fair values at the acquisition date.

Inter-company transactions, balances and unrealised gains on transactions between GCX Group are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by GCX Group.

(b) Transactions with non-controlling interests

GCX Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of GCX Group. For purchases from non-controlling interests, the difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. The share of non-controlling interest is restricted to the extent of contractual obligation of GCX Group.

(c) Disposal of subsidiaries

When GCX Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if GCX Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to statement of comprehensive income.





(d) *List of subsidiaries*

The following table sets out the Restricted and Unrestricted subsidiaries considered in the Consolidated Financial Statements as part of GCX Group.

	Name of entity	Country of incorporation**	Percentage of Ownership Interest as at March 31, 2018	Percentage of Ownership Interest as at March 31, 2017
1.	Reliance Globalcom Limited(including representative office in Thailand, Dubai, Spain and Bahrain)*** (RGL)	Bermuda	99.996%	99.996%
2.	FLAG Telecom Development Limited	Bermuda	99.996%	99.996%
3.	FLAG Telecom Development Services Company LLC	Egypt	99.996%	99.996%
4.	Reliance FLAG Atlantic France SAS	France	99.996%	99.996%
5.	FLAG Telecom Deutschland GmbH	Germany	99.996%	99.996%
6.	FLAG Telecom Hellas AE	Greece	99.996%	99.996%
7.	FLAG Telecom Asia Limited (including Representative offices in China)	Hong Kong	99.996%	99.996%
8.	FLAG Telecom Network Services DAC	Ireland	99.996%	99.996%
9.	Reliance FLAG Telecom Ireland DAC (including liaison office in Turkey)	Ireland	99.996%	99.996%
10.	FLAG Telecom Ireland Network DAC	Ireland	99.996%	99.996%
11.	FLAG Telecom Japan Limited	Japan	99.996%	99.996%
12.	FLAG Telecom Netherland BV	Netherlands	99.996%	99.996%
13.	FLAG Telecom Singapore Pte. Limited	Singapore	99.996%	99.996%
14.	FLAG Telecom Espana Network SAU	Spain	99.996%	99.996%
15.	FLAG Telecom Taiwan Limited	Taiwan	59.998%	59.998%
16.	Reliance Globalcom (U.K.) Limited	United Kingdom	99.996%	99.996%
17.	FLAG Atlantic UK Limited	United Kingdom	99.996%	99.996%
18.	FLAG Telecom Network USA Limited	USA	99.996%	99.996%
19.	Seoul Telenet Inc.*** (Refer Note 2.1(a))	Korea	48.998%	48.998%
20.	FLAG Holdings (Taiwan) Limited*** (Refer Note 2.1(a))	Taiwan	49.998%	49.998%
21.	Reliance Globalcom Limited	India	100%	100%
22.	FLAG Telecom Group Services Limited(FTGSL)	Bermuda	100%	100%
23.	Reliance Vanco Group Limited (Vanco)	England	100%	100%
24.	Vanco UK Limited	England	100%	100%





	Name of entity	Country of incorporation**	Percentage of Ownership Interest as at March 31, 2018	Percentage of Ownership Interest as at March 31, 2017
25.	Vanco Global Limited	England	100%	100%
26.	Vanco ROW Limited	England	100%	100%
27.	Vanco International Limited	England	100%	100%
28.	Vanco Switzerland A.G.	Switzerland	100%	100%
29.	VNO Direct Limited	England	100%	100%
30.	Vanco US LLC	USA	100%	100%
31.	Vanco Solutions Inc.	USA	100%	100%
32.	Vanco BV	Netherlands	100%	100%
33.	Vanco Gmbh	Germany	100%	100%
34.	Vanco Deutschland Gmbh	Germany	100%	100%
35.	Vanco SAS	France	100%	100%
36.	Vanco NV	Belgium	100%	100%
37.	Vanco Srl	Italy	100%	100%
38.	Euronet Spain SA	Spain	100%	100%
39.	Vanco Euronet Sp Zoo	Poland	100%	100%
40.	Vanco Sweden AB	Sweden	100%	100%
41.	Vanco South America Ltda	Brazil	100%	100%
42.	Vanco Australasia Pty Limited	Australia	100%	100%
43.	Vanco Asia Pacific PTE Limited	Singapore	100%	100%
44.	Vanco (Shanghai) Co. Limited	China	100%	100%
45.	Vanco Japan KK	Japan	100%	100%
46.	Net Direct SA (Proprietary) Limited (under liquidation)	South Africa	100%	100%
47.	Yipes Holdings Inc. (Yipes)*	USA	100%	100%
48.	Reliance Globalcom Services Inc.(RGSI)*	USA	100%	100%
49.	YTV Inc. *	USA	100%	100%

* Is designated as Unrestricted Subsidiary in compliance with Section 4.20(a) of the Indenture for 7.00% Senior Secured Notes, due 2019. Except for these all other subsidiaries are Restricted Subsidiaries.

** It is impracticable to determine the principal place of business of the subsidiaries referred above. (Refer note 25)

*** Non-controlling interests are not considered to be material for the purposes of these Consolidated Financial Statements and accordingly, the disclosures relating to non-controlling interests have not been given.





2.2 Foreign currency

(a) Functional and presentation currency

Items included in the financial statements of each of GCX Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in 'US$', which is the presentation currency of GCX Group. The functional currency of subsidiaries within GCX Group include US$, EURO, GBP and other currencies.

(b) Transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation, at the exchange rates prevailing at reporting date, of monetary assets and liabilities denominated in foreign currencies, are recognised in the Consolidated Statement of Comprehensive Income and presented within Gain/ (Loss) on Foreign Currency fluctuation (net).

(c) Group companies

The results and financial position of all GCX Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. assets and liabilities for each Consolidated Statement of Financial Position presented are translated at the closing rate at the date of that Consolidated Statement of Financial Position;

ii. income and expenses for each Consolidated Statement of Comprehensive Income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

iii. all resulting exchange differences are recognised in Other Comprehensive Income. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in Other Comprehensive Income.

(d) Net investment in subsidiaries

The net investment in subsidiaries that have a currency other than the US$ includes the participation in the net assets of these subsidiaries, and, if applicable, loans to these subsidiaries, settlement of which is neither planned nor expected to occur in the foreseeable future. Translation differences that occur upon consolidation, relating to the translation of the net investment in subsidiaries that have a currency other than the US$, are recognized in other comprehensive income and presented in the foreign currency translation reserve, a separate component within equity.





2.3 Property, plant and equipment

Recognition and measurement

Property, plant and equipment consists of network assets, leasehold improvements, computers and office equipment, vehicles, furniture and fittings.

Property, plant and equipment are stated at cost, net of accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets and includes the projected cost of dismantlement, removal or restoration (note 2.4) if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purposes other than to produce inventories.

Subsequent expenditure

Subsequent costs are included in the asset's 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 GCX Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Consolidated Statement of Comprehensive Income during the financial period in which they are incurred.

Depreciation

Depreciation on all assets is calculated so as to write-down the cost of property, plant and equipment to its residual value over its estimated useful life. Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the property, plant and equipment as follows:

Network assets.....the shorter of 15 to 25 years or remaining useful lives
Leasehold improvements.....the shorter of actual useful life or lease term
Computers and office equipment.....3 to 6 years
Vehicles.....5 years
Furniture and fittings.....3 to 7 years

Network assets include fibre-optic subsea cable networks and terrestrial assets. The cost of network assets include cost incurred towards construction of cable systems, subsequent cost incurred for upgradation of network systems and cost of its dismantlement, removal or restoration (note 2.4), the obligation for which an entity incurs as a consequence of installing the item.

The estimated useful lives of cable systems which are part of network assets are determined based on the estimated period over which they will generate revenue.

Capital work in Progress

Costs incurred prior to the capital project's completion are reflected as capital-work-in-progress, which is transferred to property, plant and equipment at the date the project is complete. Capital-work-in-progress is stated at cost.





2.4 Asset retirement obligation

The cost of property, plant and equipment also includes, where applicable, costs of its dismantlement, removal or restoration, the obligation for which an entity incurs as a consequence of installing the item. This liability is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration of time value. A corresponding liability is created for the amount recognised by discounting the obligation to the date of the Consolidated Statement of Financial Position with a credit adjusted interest rate. Subsequent changes in the asset retirement obligation due to change in the estimated timing, amount of the outflow of resources embodying economic benefits required to settle the obligation or change in the discount rate are adjusted in the cost of the related asset prospectively, surplus if any is credited to the Statement of Comprehensive Income and changes due to periodic unwinding of the discount are recognised in the Statement of Comprehensive Income as a finance cost as it occurs. This finance cost is not capitalised as a part of borrowing cost.

The asset retirement obligation is amortised over the useful life of the asset for which the obligation has been created.

2.5 Intangible Assets

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of consideration transferred over GCX Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating unit (CGU) that is expected to benefit from the synergies of the combination. The CGU to which goodwill is allocated represents the lowest level within the entity at which goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment loss is recognised immediately as an expense and is not subsequently reversed.

Indefeasible Right of Use (IRU)

IRU are amortised over their estimated useful lives of 5 to 25 years on straight line basis. The estimated useful life of IRUs is based on the contractual terms of the respective contracts.

Amortisation methods, useful lives and residual values are reviewed periodically at each reporting date.

Software and Licences

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives of 3 to 5 years.





Costs that are directly associated with the production of identifiable and unique software products controlled by GCX Group and that will probably generate economic benefits exceeding costs beyond 1 year, are recognized as intangible assets. Direct costs include the costs of software development employees and an appropriate portion of relevant overheads.

Computer software development costs recognized as intangible assets and are amortised over their estimated useful lives, not exceeding 5 years.

Intangible Assets under Development

Intangible assets not ready for the intended use on the date of the Consolidated Statement of Financial Position are disclosed as "intangible assets under development".

2.6 Impairment of non-financial assets

Intangible assets with definite life and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying values may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. For this purpose, the fair value less cost to sell and value-in-use are determined in functional currency of the respective CGU.

If such assets are considered to be impaired, the impairment to be recognised in Consolidated Statement of Comprehensive Income is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.7 Non-derivative financial instruments

(a) Classification

Financial assets

GCX Group classifies its financial assets in the following categories as: loans and receivables and available for sale. The classification depends on the purpose and intention for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period which are classified as non-current assets. GCX Group's loans and receivables comprise 'trade and other receivables', cash and cash equivalents in the Consolidated Statement of Financial Position.





(ii) Available for sale

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified either as fair value through Consolidated Statement of Comprehensive Income or as loans and receivables. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Financial liabilities

GCX Group classifies its non-derivative financial liabilities to the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Offsetting of financial instruments

Financial assets and liabilities are offset against each other and the resultant net amount is presented in the Consolidated Statement of Financial Position when, and only when, GCX Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the assets and settle the liability simultaneously.

(b) Recognition, measurement and derecognition

Financial assets and liabilities are recognised in the Consolidated Statement of Financial Position at the date when GCX Group becomes a party to the contractual provisions of the financial instruments. Regular way purchases and sales, if any, of financial assets are recognised on the trade-date, the date on which GCX Group commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and GCX Group has transferred substantially all risks and rewards of ownership. Available for sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost, using the effective interest method.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the Consolidated Statement of Comprehensive Income as 'gains and losses from investment securities'. Dividends on available-for-sale financial assets are recognised in the Consolidated Statement of Comprehensive Income as part of finance income when GCX Group's right to receive payments is established.

2.8 Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value. They are subsequently measured at amortised cost (net of allowance for impairment) using the effective interest method, if the effect of discounting is considered material.





2.9 Cash and cash equivalents

In the Consolidated Statements of Cash Flows, cash and cash equivalents includes cash in hand, bank balances and deposits, other short-term highly liquid investments with original maturities of three months or less and that are readily convertible to known amount of cash and cash equivalent and bank overdrafts (used for cash management purposes). In the Consolidated Statement of Financial Position, bank overdrafts, if any, are shown as part of borrowings under current liabilities.

Cash and claims to cash that are restricted as to withdrawal or use in the ordinary course of business are disclosed separately as restricted cash, unless they are meant to be utilised for other than current operations, in which case they will be separately presented as restricted deposits under non-current assets.

2.10 Impairment of financial assets

GCX Group assesses at each Consolidated Statement of Financial Position date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

(a) *Assets carried at amortised cost*

For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

Evidence of impairment may include indications that the debtors or group of debtors experiencing significant financial difficulty, default or delinquencies in interest or principal payments, the probability that they will enter bankruptcy or any financial reorganisation, whether the observable data indicate that there is a measurable decrease in the estimated future cash flows, such as change in arrears or economic conditions that collateral with defaults.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

(b) *Assets classified as available for sale*

Significant or prolonged decline in the fair value of the security below its cost and the disappearance of an active trading market for the security are objective evidence that the security is impaired. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value and is recognised in the Consolidated Statement of Comprehensive Income. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the

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difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in Consolidated Statement of Comprehensive Income – is removed from equity and recognised in Consolidated Statement of Comprehensive Income. If, in a subsequent period, the fair value of an instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in Consolidated Statement of Comprehensive Income, the impairment loss is reversed through the Consolidated Statement of Comprehensive Income.

2.11 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in net profit in the Consolidated Statement of Comprehensive Income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless GCX Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of position date. If not, they are presented under non-current borrowings.

2.12 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified under current liabilities if payment is due within one year or less. If not, they are presented under non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using effective interest rate method

2.13 Provisions and Contingent liabilities

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.





2.14 Current tax and deferred tax

The tax expense comprises of current tax and deferred tax. Income tax is recognised in net profit in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In that case, the income tax is also recognised in other comprehensive income or directly in equity, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Consolidated Statement of Financial Position date in the respective countries where GCX Group operates and generates taxable income.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the Consolidated Financial Statements. However, Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Consolidated Statement of Financial Position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax liability is provided on temporary differences arising on investment in subsidiaries, except for deferred tax liability where the timing of the reversal of the temporary difference is controlled by GCX Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the Deferred tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

The effect on Deferred tax assets and liabilities of a change in tax rates is recognised in the Consolidated Statement of Comprehensive Income in the year of change.

2.15 Revenue recognition

GCX Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of GCX Group's activities as described below. Revenue is measured at the fair value of the consideration receivable and represents amount receivable for services rendered, net of taxes, expected price reductions and rebates. GCX Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.





In revenue arrangements including more than one deliverable, the arrangements are divided into separate units of accounting. Deliverables are considered separate units of accounting if the following two conditions are met: (1) the deliverable has value to the customer on a stand-alone basis and (2) there is evidence of the fair value of the item. The arrangement consideration is allocated to each separate unit of accounting based on its relative fair value.

Bandwidth capacity

GCX Group sells Bandwidth capacity that provides customers with network capacity, typically over a 10 to 15 year period without transferring the legal title or giving an option to purchase the network assets. Capacity service revenues are recognised in GCX Group's Consolidated Statement of Comprehensive Income on a straight line basis over the life of the contract. Revenue on non-cancellable contracts for right to use of specified fibre pairs for a period of 15 to 20 years or economic useful life is recognized as revenue on delivery of such assets to the customers.

Operations and Maintenance services

GCX Group provides operation and maintenance services over the life of the capacity contract, for which GCX Group receives operation and maintenance charges. Operation and maintenance charges are invoiced separately from capacity sales. Revenues relating to maintenance are recognised over the period in which the service is provided.

International Private Leased Circuits and others

International Private Leased Circuits include lease capacity services and restoration service for other network operators. The customer typically pays the charges for these services periodically over the life of the contract, which may be up to three years. Revenue is recognised in GCX Group's Consolidated Statement of Comprehensive Income over the term of the contract.

Internet Protocol

GCX Group recognises internet protocol (including Ethernet) revenue over the term of the contract. Fees related to activation of services are deferred and recognised over the expected term of the related service agreement.

Managed Network Services

A network contract typically covers the design, supply and installation of the network and provision of packaged network solutions. Revenue relating to the initial part of the contract is determined by the value of the component elements represented by the equipment installed and time expended on this element of the contract and is recognised over the contract implementation period. The remainder of the contract value covering provisions of packaged network solutions is recognised evenly over the period of contract.

Interest income

Interest income is recognised using the effective interest method.





Dividend income

Dividend income is recognised when GCX Group's right to receive dividend is established.

2.16 Deferred revenue

Deferred revenue represents income billed in accordance with the contract but not recognised in Consolidated Statement of Comprehensive Income as at Consolidated Statements of Financial Position. Deferred revenue net of the amount recognisable within one year is disclosed as deferred revenue in non-current liabilities and the amount recognisable within one year is disclosed as deferred revenue in current liabilities.

2.17 Accrued income

Where the services are performed prior to billing, an accrued income is recognised in trade and other receivables.

2.18 Employee benefits

Eligible employees of GCX Group are covered by defined contribution pension plan. Contribution to the plan is generally based on each employee's eligible compensation and years of service and is based on the local regulations. The schemes are funded through payments to insurance companies Government agency as defined contribution plans. In some defined contribution retirement plan, eligible employees may contribute amounts to the plan, via payroll withholding, subject to certain limitations.

Contributions are made to employees personal pension schemes and the costs are charged to the Consolidated Statement of Comprehensive Income when incurred.

There are no other material employee benefit plans and schemes in GCX Group.

2.19 Leases

As a lessee:

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Consolidated Statement of Comprehensive Income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged in the Consolidated Statement of Comprehensive Income on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.





2.20 Borrowing cost

Borrowing costs are recognised in the Statement of Comprehensive Income using the effective interest method except for those costs on borrowings that are directly attributable to the acquisition or construction of assets which take a substantial period of time to get ready for their intended use, In such a case, borrowing costs are capitalised and recorded in the costs of the assets. Capitalisation of borrowing costs commence when the capital expenditure and borrowing costs are incurred. The capitalisation of the borrowing costs is ceased when the asset under acquisition or construction is ready for the intended use. If the acquisition or construction of an asset is interrupted abnormally for more than 3 months, the capitalisation of the borrowing costs is suspended till such activities resume.

For specific borrowings obtained for the acquisition or construction of an asset eligible for capitalisation, the capitalised amount of interests is determined based on the interest expense incurred after deducting any interest income earned from the deposits or investment income from the temporary investment funded by the unused borrowing balance.

For general borrowings used for acquisition or construction of an asset eligible for capitalisation, the capitalised interest is determined by multiplying the weighted average excess of accumulated capital expenditure over specific borrowings by the capitalisation rate of such general borrowings. The capitalisation rate is determined according to the weighted average interest rate of the general borrowings.

2.21 Dividends

Dividend to ordinary shareholders is recognised as a liability in the period in which the dividends are approved by the ordinary shareholders. Interim dividends that are declared by the Board of Directors without the need for ordinary shareholders' approval are recognised as a liability and deducted from shareholders' equity in the year in which the dividends are declared by the Board of Directors.

2.22 Segment reporting

Operating segment are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The board of directors of GCX Limited have formed a strategic steering committee which assesses the financial performance and position of the GCX group, and makes strategic decisions. The steering committee is headed by Group CEO who is performing the function of CODM. Refer note 25 for segment information presented.

2.23 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.





(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.24 Discontinued operations

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.

3) Critical accounting estimates and judgements

Estimates and judgements are continuously evaluated by GCX Group and are based on historical experience and various other assumptions and factors (including expectations of future events); that GCX Group believes to be reasonable under the existing circumstances.

Significant estimates relied upon in preparing these Consolidated Financial Statements include fair valuation of financial instruments on initial recognition, useful lives and residual value of property, plant and equipment and intangible assets, allowances for impairment of trade receivables, expected future cash flows used to evaluate the recoverability of property, plant and equipment, goodwill and intangible assets, contingent liabilities and asset retirement obligations.

Although GCX Group regularly assesses these estimates at each Consolidated Statement of Financial Position date, actual results could differ materially from these estimates. Changes in estimates are recorded in the year in which they become known.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets, liabilities, income and expenses within the next financial year are discussed below:

Critical accounting estimates

i. Useful life and residual value of property, plant and equipment and intangible assets

The useful lives of assets are based on management's judgement of the expected life of those assets. Management considers the impact of changes in technology, customer service requirements, availability of capital funding and required return on assets and equity to determine optimum useful life expectation for each of the individual items of property, plant and equipment and Intangible assets. Due to the rapid technological advancement in the telecommunications industry,

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the estimation of useful lives could differ significantly on an annual basis.

The estimation of residual values of assets is also based on management's judgement that the assets will be sold and what their condition will be at the time.

We expect that five-year increase or decrease in the estimated useful lives of network assets (which accounts for more than 98% of total plant, property and equipment) would result in a decrease or increase to depreciation expense, respectively in the range of US$ 19 to 21 million approximately.

The carrying values of property, plant and equipment and intangible assets are disclosed in notes 4 and 6, respectively.

ii. Asset retirement obligation

The provision for future obligations for decommissioning of network assets is based on management's assessment of the obligation (legal or constructive) associated with the decommissioning of the assets and long-term cash flow forecasts of estimated future costs. Significant judgement is involved in assessing whether the Group has an obligation given there are network assets in various jurisdictions and international waters.

The main assumptions applied in estimating the provisions are technical plans, timing, cost estimates and discount rate. Any changes in the assumed discounting rate or expected composition/cash flow would affect the provision. If the discount rate used would be lowered, the provision would increase (Refer note no 14).

iii. Provision for Credit Note

GCX Group make credit note provision for revision in pricing and contract terms agreed between company and customer. Credit Note provision is recorded when the management estimates to reverse the revenue recorded or deferred revenue (as the case may be) due to above mentioned reason and anticipates to issue credit notes against the receivable balance, thereby reducing the trade receivables balances outstanding in the books of accounts. Management estimates the provision based on past experience, past trend and negotiation with customers. The analysis of credit note provision is performed periodically and credit note provision is adjusted accordingly.

iv. Allowance for impairment of trade receivables

GCX Group makes provision for estimated losses that result from the failure of debtors to make required payments which is overdue for more than normal credit period. GCX Group has taken in consideration the probability of recoverability based on past experience, current collection trends and general economic factors for determining the amount of allowance. Credit risks are assessed based on historical write-offs, net of recoveries, and an analysis of the aged accounts receivable balances with reserves, generally increasing as the receivable ages. Accounts receivable may be fully reserved for when specific collection issues are known to exist. The analysis of receivable is performed periodically and the allowance of doubtful accounts are adjusted accordingly (Refer note 2.8, 2.10,7 and 23(b)).





v. Goodwill impairment

For goodwill impairment testing, if events or changes in circumstances indicate a potential impairment, as part of the review process, the carrying amount of the CGUs (including allocated goodwill) is compared with its recoverable amount by GCX Group. The recoverable amount is the higher of fair value less costs to sell and value in use, both of which are calculated by the GCX Group using a discounted cash flow analysis.

Calculating the future net cash flows expected to be generated to determine if impairment exists and to calculate the impairment involves significant assumptions, estimation and judgement. The estimation and judgement involves, but is not limited to, industry trends including pricing, estimating long-term revenues, revenue growth, operating expenses and capital expenditures.

The Directors of GCX Group do not consider there to be any reasonably possible changes in key assumptions that would lead to an impairment loss.

Judgement in applying accounting policies

vi. Income tax

a) Current tax

GCX Group is subject to income tax in a number of jurisdictions. Significant judgement is required in determining provision for income tax including the judgement on whether tax positions are probable of being sustained in income tax assessments. There are many transactions and calculations for which the ultimate income tax determination is uncertain during the ordinary course of business. GCX Group recognises liabilities for anticipated income tax issues based on estimates of whether additional taxes will be due. Where the final income tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. (Refer note 2.14 and 21)

Management evaluates positions taken in income tax returns with respect to situations in which applicable income tax regulation is subject to interpretation. The current tax liabilities are recognised when it is more likely than not, that certain tax positions may not be fully sustained upon review by income tax authorities. GCX Group's management believes that the final tax outcome of these positions can differ from those initially recognised when reviews or audits by tax authorities of tax returns are completed. Benefits from tax positions are measured at the single best estimate of the most likely outcome. At each Consolidated Statement of Financial Position date, the tax positions are reviewed, and to the extent that new information becomes available which causes GCX Group to change its judgement regarding the adequacy of existing current tax liabilities, such changes to current tax liabilities are duly recognised in income tax expense in the year in which such determination is made. Interest and penalties, if any, related to accrued liabilities for potential tax assessments are included in income tax expense. (Refer note 2.14 and 21).





b) Deferred tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying values, at the rates that have been enacted or substantively enacted. The ultimate realisation of Deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and income tax loss carry-forward become deductible. GCX Group considers the expected /scheduled reversals of Deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. The amount of the Deferred tax assets considered realisable, however, could be reduced/ increased in the near term if the said estimates undergo a change. (Refer note 2.14 and 21).





4) Property, plant and equipment

Particulars	Leasehold Improvements	Network Assets *	Others**	On Lease Dark Fiber ***	Total
Gross carrying value					
As at April 1, 2017	**7,522,685**	**1,658,565,774**	**13,424,054**	**35,497,890**	**1,715,010,403**
Additions	4,944	24,716,136	136,490	-	24,857,570
Deductions****	-	-	-	(35,497,890)	(35,497,890)
Exchange differences	353,625	238,221	1,290,826	-	1,882,672
As at March 31, 2018	**7,881,254**	**1,683,520,131**	**14,851,370**	**-**	**1,706,252,755**
Accumulated depreciation					
As at April 1, 2017	**7,241,458**	**740,550,194**	**12,623,456**	**19,727,026**	**780,142,134**
Depreciation for the year	96,121	65,216,899	440,609	979,888	66,733,517
Deductions****	-	-	-	(20,706,914)	(20,706,914)
Exchange differences	352,881	226,440	1,270,870	-	1,850,191
As at March 31, 2018	**7,690,460**	**805,993,533**	**14,334,935**	**-**	**828,018,928**
Closing net carrying value as at March 31, 2018	**190,794**	**877,526,598**	**516,435**	**-**	**878,233,827**
Gross carrying value as at March 31, 2018	7,881,254	1,683,520,131	14,851,370	-	1,706,252,755
Accumulated depreciation	7,690,460	805,993,533	14,334,935	-	828,018,928
Closing net carrying value as at March 31, 2018	**190,794**	**877,526,598**	**516,435**	**-**	**878,233,827**

*Network assets includes Asset Retirement Obligation (ARO) having gross carrying value of US$13,908,392 (March 31, 2017: US$13,908,392), accumulated depreciation of US$6,237,896 (March 31, 2017: US$5,403,965) and net carrying value of US$7,670,497 (March 31, 2017: US$8,504,427).

**Others include: Furniture and fittings, Computers and office equipment and Vehicles.

*** On Lease Dark Fiber assets were related to RGSI business.

****Deductions are pertaining to cancellation of Dark fiber finance lease.

Refer to Note 10 (a) for collateral in favour of Senior Secured Notes.

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Particulars	Leasehold Improvements	Network Assets*	Others**	On Lease **** Vehicles	On Lease **** Dark Fiber	Total
Gross carrying value						
As at April 1, 2016	**9,126,700**	**1,701,544,451**	**21,118,332**	**205,801**	**37,806,933**	**1,769,802,217**
Additions	-	18,447,955	560,838	-	-	19,008,793
Deductions****	(1,194,035)	(61,330,772)	(6,834,482)	(205,801)	(2,309,043)	(71,874,133)
Exchange differences	(409,980)	(95,860)	(1,420,634)	-	-	(1,926,474)
As at March 31, 2017	**7,522,685**	**1,658,565,774**	**13,424,054**	**-**	**35,497,890**	**1,715,010,403**
Accumulated depreciation						
As at April 1, 2016	**8,849,774**	**734,197,835**	**20,298,817**	**178,267**	**18,740,715**	**782,265,408**
Depreciation for the year	106,093	64,044,125	490,528	11,732	2,204,958	66,857,436
Deductions****	(1,306,823)	(57,597,659)	(6,806,939)	(189,999)	(1,218,647)	(67,120,067)
Exchange differences	(407,586)	(94,106)	(1,358,950)	-	-	(1,860,642)
As at March 31, 2017	**7,241,458**	**740,550,194**	**12,623,456**	**-**	**19,727,026**	**780,142,134**
Closing net carrying value as at March 31, 2017	**281,227**	**918,015,580**	**800,598**	**-**	**15,770,864**	**934,868,269**
Gross carrying value as at March 31, 2017	7,522,685	1,658,565,774	13,424,054	-	35,497,890	1,715,010,403
Accumulated depreciation	7,241,458	740,550,194	12,623,456	-	19,727,026	780,142,134
Closing net carrying value as at March 31, 2017	**281,227**	**918,015,580**	**800,598**	**-**	**15,770,864**	**934,868,269**

* Network assets includes Asset Retirement Obligation (ARO) having gross carrying value of US$13,908,392 (March 31, 2016: US$13,908,392), accumulated depreciation of US$5,403,965 (March 31, 2016: US$4,514,037) and net carrying value of US$8,504,427 (March 31, 2016: US$9,394,355).

**Others include: Furniture and fittings, Computers and office equipment and Vehicles.

*** On Lease Dark Fiber assets were related to RGSI business.

****Deductions are mainly related to RGSI Ethernet Business. (Refer note 28C)

Refer to Note 10 (a) for collateral in favour of Senior Secured Notes.





5) Assets Under Development

a) Capital work-in-progress

Particulars	As at March 31,2018	As at March 31, 2017
Gross carrying value		
As at April 1	**181,371**	**18,484,578**
Additions	52,611	140,467
Deductions	(181,371)	(18,443,674)
As at March 31	**52,611**	**181,371**

Capital work in progress comprises mainly cost incurred for network assets and capital advances for network assets and IRUs.

b) Intangible assets under development

Particulars	As at March 31,2018	As at March 31, 2017
Gross carrying value		
As at April 1	-	**334,153**
Additions	3,300,000	-
Deductions	-	(316,300)
Exchange differences	-	(17,853)
As at March 31	**3,300,000**	-

Intangible assets not ready for the intended use on the date of the Consolidated Statement of Financial Position are disclosed as "intangible assets under development".

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6) Intangible assets

Particulars	Indefeasible Right of Connectivity	Goodwill Vanco	Others*	Total
Gross carrying value				
As at April 1, 2017	**283,059,880**	**78,698,270**	**3,670,010**	**365,428,160**
Additions	4,372,280	-	115,474	4,487,754
Exchange differences	-	6,775,855	244,777	7,020,632
As at March 31, 2018	**287,432,160**	**85,474,125**	**4,030,261**	**376,936,546**
Accumulated amortization and impairment				
As at April 1, 2017	**176,614,328**	**69,460,848**	**2,116,581**	**248,191,757**
Amortization for the year	16,399,900	-	412,024	16,811,924
Exchange differences	-	5,621,548	228,338	5,849,886
As at March 31, 2018	**193,014,228**	**75,082,396**	**2,756,943**	**270,853,567**
Closing net carrying value as at March 31, 2018	**94,417,932**	**10,391,729**	**1,273,318**	**106,082,979**
Gross carrying value as at March 31, 2018	287,432,160	85,474,125	4,030,261	376,936,546
Accumulated depreciation	193,014,228	75,082,396	2,756,943	270,853,567
Closing net carrying value as at March 31, 2018	**94,417,932**	**10,391,729**	**1,273,318**	**106,082,979**

* Others includes: Software and licences.

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Particulars	Customer relationships	Indefeasible Right of Connectivity	Goodwill		Intellectual property*	Others**	Total
			Vanco	Yipes			
Gross carrying value							
As at April 1, 2016	**123,142,433**	**273,791,115**	**90,554,138**	**169,600,977**	**32,000,000**	**13,437,329**	**702,525,992**
Additions/ Transfer from CWIP	-	9,268,765	-	-	-	503,862	9,772,627
Deductions***	(123,142,433)	-	-	(169,600,977)	(32,000,000)	(10,000,000)	(334,743,410)
Exchange differences	-	-	(11,855,868)	-	-	(271,181)	(12,127,049)
As at March 31, 2017	**-**	**283,059,880**	**78,698,270**	**-**	**-**	**3,670,010**	**365,428,160**
Accumulated Amortisation							
As at April 1, 2016	**123,142,433**	**161,018,469**	**-**	**-**	**32,000,000**	**12,075,707**	**328,236,609**
Amortization for the year	-	15,595,859	-	-	-	307,417	15,903,276
Deductions***	(123,142,433)	-	-	-	(32,000,000)	(10,000,000)	(165,142,433)
Impairment****	-	-	69,460,848	-	-	-	69,460,848
Exchange differences	-	-	-	-	-	(266,543)	(266,543)
As at March 31, 2017	**-**	**176,614,328**	**69,460,848**	**-**	**-**	**2,116,581**	**248,191,757**
Closing net carrying value as at March 31, 2017	**-**	**106,445,552**	**9,237,422**	**-**	**-**	**1,553,429**	**117,236,403**
Gross carrying value as at March 31, 2017	-	283,059,880	78,698,270	-	-	3,670,010	365,428,160
Accumulated depreciation	-	176,614,328	69,460,848	-	-	2,116,581	248,191,757
Closing net carrying value as at March 31, 2017	**-**	**106,445,552**	**9,237,422**	**-**	**-**	**1,553,429**	**117,236,403**

* Intellectual property pertains to technology and related know-how in relation to RGSI Business processes and patents.

** Others includes: Building access rights, Trade names and trademarks and Software and licences.

*** Deduction are mainly related to RGSI Ethernet Business.

**** Impairment is related to Vanco Business.





There is no movement in the goodwill on consolidation except due to changes in foreign exchange currency fluctuation. Business valuation is higher than book value of the assets hence impairment has not been considered.

Carrying amount of goodwill allocated to CGUs is as follows:

Cash generating unit	As at March 31,2018	As at March 31, 2017
Vanco	10,391,729	9,237,422
	10,391,729	**9,237,422**

The Directors of GCX Group believe that a reasonable change in key assumptions would not lead to an impairment loss and consequently no sensitivity analysis has been presented.

7) Trade and other receivables and other assets

Trade and other receivables

	As at March 31, 2018	As at March 31, 2017
Trade receivables	271,523,471	264,508,746
Less: Allowance for impairment	(18,797,028)	(43,268,253)
Less: Credit notes provision	(8,168,740)	(8,137,834)
Total Trade Receivables	**244,557,703**	**213,102,659**

	As at March 31, 2018	As at March 31, 2017
Deposits	2,197,412	2,248,060
Accrued income	2,049,288	1,712,924
Advance to vendors	8,683,277	7,814,871
Prepaid expenses	25,795,248	19,322,253
Restricted deposits	721,678	446,271
Other advances and receivables	6,699,405	8,567,244
Other receivables*	-	16,468,782
Total Other Receivables	**46,146,308**	**56,580,405**
Total Trade and other receivables	**290,704,011**	**269,683,064**
Less: Non-current portion	17,309,877	13,877,300
Current portion	**273,394,134**	**255,805,764**

* Previous year includes $14,000,000 related to discontinued operation.





Prepaid expenses represents expenses related to network operating expenses and other expenses paid in advance. These will be included in the Consolidated Statement of Comprehensive Income when the services are received.

Restricted deposits included deposits with bank, which serve as collateral for standby letters of credit held by GCX Group. These standby letters of credit are generally required by the municipalities and utilities where GCX Group operates, in order for it to conduct its operations.

Other advances and receivables include Indirect tax recoverable from government authorities.

Movements in the allowance for impairment of trade receivables are as follows:

	As at March 31, 2018	As at March 31, 2017
As at April 1	**43,268,253**	**44,845,479**
Allowance for impairment of trade receivables	3,351,625	7,467,899
Allowance released/ utilized/ adjusted during the year	(27,822,850)	(9,045,125)
As at March 31	**18,797,028**	**43,268,253**

The creation/ release of allowance for impaired receivables have been included in 'other expenses'/ 'other income' in the Consolidated Statement of Comprehensive Income. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. GCX Group does not hold any collateral as security.

8) Cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017
Cash in hand	3,046	3,783
Balances with bank	47,568,096	62,945,003
Total Cash and cash equivalents	**47,571,142**	**62,948,786**





9) Share capital, Share premium, Retained earnings, Capital reserves and Foreign currency translation reserve

Particulars	As at March 31, 2018	As at March 31, 2017
Authorised Share Capital	250,000,000	250,000,000
Share capital	235,322,790	235,322,790
Share premium	104,163,499	104,163,499
Retained earnings	(145,043,750)	(149,871,829)
Foreign currency translation reserve	(70,803,972)	(70,542,730)
Capital reserves	72,816,469	72,816,469
Total	**196,455,036**	**191,888,199**

Share Capital

The Company has only Ordinary Shares having a par value of US$ 1 per share. Each holder of shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of shares held by the shareholder.

Share Premium

Share premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Bermuda Companies Act, 1981.

Retained earnings

Retained earnings represent the amount of accumulated earnings at each Consolidated Statement of Financial Position date of GCX Group, prepared in accordance with the basis of preparation section.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations included in these Consolidated Financial Statements.

Capital reserves

Capital reserves include reserve generated during past restructuring and capital contribution received from parent.





10) Borrowings

	As at March 31, 2018	As at March 31, 2017
Non-current		
Finance lease liabilities	-	12,183,123
7% Senior Secured Notes due 2019	348,982,875	346,232,735
Total	**348,982,875**	**358,415,858**
Current		
Loan from Banks (Revolving Credit Facility)	-	10,000,000
Current portion of finance lease liabilities	-	1,385,844
Interest accrued but not due on Senior Secured Notes	4,083,334	4,083,334
Interest accrued but not due on (Revolving Credit Facility)	-	72,245
	4,083,334	**15,541,423**
Total Borrowings	**353,066,209**	**373,957,281**

a) Collateral to Senior Secured Notes

On August 01, 2014, GCX Limited issued "7% Senior Secured Notes due 2019" for a total of US$350,000,000 (the "Notes"). The Notes are listed on the Singapore Exchange Securities Trading Limited (SGX-ST), mature in 2019 and have a coupon rate of 7%. The shares of GCX Group's material subsidiaries, including those of RGL and FTGSL have been pledged in favor of the Senior Secured Notes Holders and the material subsidiaries also act as guarantors for the Senior Secured Notes.

As per the Indenture, the Notes and the Subsidiary Guarantees granted under the Notes are secured by:

- a pledge by GCX and each Subsidiary Guarantor of the outstanding equity interests owned by them in any other Subsidiary Guarantor; and
- a security interest in the existing and future assets of GCX and each Grantor Guarantor.

b) Revolving Credit Facility

GCX Limited effected a drawn down of US$10,000,000 under the Revolving Credit Facility (RCF) jointly from Standard Chartered Bank and Deutsche Bank. The RCF facility is secured in the same manner as the Senior Secured Notes. The draw down was for a 3 month period commencing from February 2, 2017. The interest on such facility is calculated at LIBOR + margin, up to a maximum of 4% depending upon the prevailing leverage ratio. This amount has been repaid on May 2, 2017.





c)Finance Lease liabilities

The Company terminated all of its finance lease contracts and this has resulted in reduction of finance lease obligations by US$12,990,405 (March 31, 2017: US$1,782,791).

All the borrowings are denominated in US$.

11) Share-based payment

In May 2008, share options were granted to selected employees of the Reliance Globalcom Limited (RGL) to subscribe for ordinary shares in RGL, under certain share options plan (the ESOP plan). Pursuant to the terms of those plans, RGL granted units (Units) to employees through a trust. Employees were only able to receive Units equivalent to one equity share of RGL pending the listing of RGL. These Units could be redeemed for cash (at a value determined based on share price of RGL on March 31 of the immediately preceding year) or employees could hold on to the Units until such time as of an IPO of RGL; at which time the Units mandatorily convert to shares.

Accordingly, RGL has accounted for the share based payment transaction as a compound award with a cash settled option and an equity settled option. A liability award has a 4 year vesting period and a service vesting condition on employee completing 1/2/3/4 years' services. An equity award has a vesting period up to the estimated RGL listing date and a successful RGL listing as a non-market vesting condition. The options were exercisable for a period of 5 years from the vesting date.

The Board of directors of RGL passed a resolution on May 16, 2012 terminating the RGL ESOP plan. However, in accordance with the terms of the RGL ESOP plan, such termination would not affect the Options which have already been granted.

The exercise period under the ESOP Plan expired on May 15, 2017 and no option had been exercised by that date. Accordingly (i) all options outstanding on May 15, 2017 have lapsed and stand cancelled; (ii) the ESOP plan has been completed. The fair value of ESOP at March 31, 2017 is Nil.





12) Trade and other payables

	As at March 31, 2018	As at March 31, 2017
Trade payables	47,988,675	27,877,210
Accrued expenses	98,019,136	131,071,339
Advance from Customers	51,452	-
Employee Payables	6,370,945	2,820,195
Statutory Payables	4,187,571	4,619,506
Payable towards capital expenditure	11,898,038	9,363,553
Others	401,198	532,440
Total	**168,917,015**	**176,284,243**
Less: Non-Current Portion	1,491,792	1,533,721
Current portion	**167,425,223**	**174,750,522**

Accrued expenses represent accruals towards network costs and other expenses.

13) Deferred revenue

	2018	2017
As at April 1	**624,717,919**	**680,001,867**
Bills raised during the year	325,360,169	354,341,863
Adjustment on account of credit notes	(30,906)	10,560,012
Service Revenue Continuing/ discontinued operation (Refer note 15 and 28A)*	(361,853,834)	(419,196,607)
Movement in accrued income	336,364	(989,216)
As at March 31	**588,529,712**	**624,717,919**
Less: Non-current portion	441,923,158	483,722,106
Current portion	**146,606,554**	**140,995,813**

* Includes US$1,950,000 related to discontinued operation (March 31, 2017: US$16,086,977).

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14) Asset retirement obligation

GCX Group's asset retirement obligations relate to the cable systems installed in the relevant territorial waters. The estimation of the asset retirement obligations requires the significant use of estimates regarding the amounts and timing of expected cash flows.

The value of the asset retirement obligations was calculated by an independent professional valuer using RGL Group's credit – adjusted risk-free rate of 1.71-2.28%. The credit adjusted risk free rate has been arrived after considering risk free rate of UK government bonds with tenure of 10 to 20 years, adjusted with premium towards credit risk of the company. The UK Government bonds have been considered based on the currency of the obligations and their expected period of settlement.

The expected timing and amount of payments is mentioned below for various cable systems taken together:

Year	Amount
2021-22	2,862,023
2025-26	17,618,024
2036-37	4,950,403

	2018	2017
As at April 1,	**20,904,782**	**20,533,959**
Charged to the statement of comprehensive income		
- Unwinding of discount	377,604	370,823
As at March 31	**21,282,386**	**20,904,782**

Analysis of Provision

	As at March 31, 2018	As at March 31, 2017
Non-current	21,282,386	20,904,782
Current	-	-
Total	**21,282,386**	**20,904,782**

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15) Service Revenue

	For the year ended March 31, 2018	For the year ended March 31, 2017
Bandwidth Capacity	84,998,895	99,036,236
Operation and Maintenance Services	45,832,190	46,853,483
International Private Leased Circuits and others	62,441,543	62,657,032
Internet Protocol	61,414,037	67,169,560
Managed Network Services	107,167,169	127,393,318
Total	**361,853,834**	**403,109,629**

16) Other income

	For the year ended March 31, 2018	For the year ended March 31, 2017
Liabilities written back	6,268,748	2,931,158
Interest on income tax refund	401,782	453,354
Miscellaneous income	672,303	87,477
Total	**7,342,833**	**3,471,989**

17) Network Operation Expenses

	For the year ended March 31, 2018	For the year ended March 31, 2017
Equipment Maintenance and Support	2,360,039	4,143,200
Marine Cable Operations	17,717,797	20,222,285
Landing Stations and Point of Presence costs	33,160,068	33,550,177
Terrestrial Cable, Inland Amplifier and Regenerator Sites	18,591,167	14,807,119
Local Tails	30,035,432	26,636,434
Telecom Circuit cost and Equipment	66,760,779	90,032,917
Internet Protocol cost	2,298,885	2,823,280
Total	**170,924,167**	**192,215,412**

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18) Employee cost

	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and bonus	56,806,817	51,521,653
Contribution to defined contribution plans	1,924,804	2,527,225
Staff welfare expenses	3,050,955	2,639,950
Total	**61,782,576**	**56,688,828**

GCX Group does not have any other significant defined benefit plan.

19) Other expenses

	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent	2,996,491	3,393,529
Rates and taxes	1,746,440	803,872
Insurance	470,951	623,450
Audit Fees	927,468	1,242,817
Legal Fees	2,089,450	1,244,681
Professional Charges	2,036,733	2,156,246
Licensing and Regulatory Fees	518,026	410,680
Travelling and Entertainment Expenses	2,783,951	3,531,351
Communication	950,089	740,901
Information Technology Support	3,135,097	2,913,133
Bank charges	184,852	180,494
Impairment of Trade Receivables	3,351,625	7,166,462
Sales and Marketing	685,355	1,575,776
Facility and usage charges	1,187,760	1,017,108
Others	918,634	1,194,207
Total	**23,982,922**	**28,194,707**





20) Finance income and costs

	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Income	45,477	66,772
Finance income	**45,477**	**66,772**
Interest on Asset Retirement Obligations	377,604	370,822
Accretion of 7% Senior Secured Notes issue expenses	2,750,140	2,546,230
Interest on 7% Senior Secured Notes	24,500,000	24,500,000
Interest on Loan from Banks (Revolving Credit Facility)	39,860	72,245
Interest – others	116,985	23,563
Credit facility charges	82,444	417,851
Finance cost	**27,857,033**	**27,930,711**
Finance cost, net	**27,821,556**	**27,863,939**

21) Income tax and deferred tax

	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax	108,024	828,096
Deferred tax (net)	531,439	(5,653,660)
Charge/ (Credit) recognised in the Consolidated Statement of Comprehensive Income	**639,463**	**(4,825,564)**
Income tax charge/(credit)		
is attributable to:		
- continuing operations	639,463	(874,190)
- discontinued operation	-	(3,951,374)
Total	**639,463**	**(4,825,564)**





Reconciliation between the provisions for income tax to the amount computed by applying the statutory income tax rate to the income before provision for income tax is summarised below:

	For the year ended March 31, 2018	For the year ended March 31, 2017
(Loss) from continuing operations before income tax expense	**(325,563)**	**(45,272,133)**
Profit/(Loss) from discontinuing operation before income tax expense	**5,864,947**	**(8,093,438)**
Income tax effect due to:		
Tax calculated at domestic tax rates applicable to profits/ (losses) in the respective countries	4,909,819	2,110,310
Adjustment in respect of tax assessments relating to earlier years	(768,329)	(211,652)
Expenses not deductible for tax purposes	584,056	431,865
Reversal of previously recognized deferred tax liability which cannot be utilised for tax purpose	-	(3,951,374)
Tax losses for which no deferred tax asset was recognized	514,868	3,916,143
Utilization of previously unrecognized tax losses	(4,641,733)	(7,275,688)
Others	40,782	154,832
Income tax charge/(credit)	**639,463**	**(4,825,564)**

The weighted average applicable tax rate was 88.63 % (March 31, 2017: (3.95) %). The increase in tax rate is caused by a change in the profitability of the Group's subsidiaries in the respective countries.

At the present time, no income, profit, capital or capital gains taxes are levied in Bermuda. In the event that such taxes are levied in the future, RGL and all their subsidiaries registered in Bermuda have received an undertaking dated April 26, 2012 from the Bermuda Government exempting them from all such taxes until March 31, 2035.

The provision for income taxes reflected in the accompanying Consolidated Statement of Comprehensive Income consists of taxes incurred on the income earned or activities performed by GCX Group in certain jurisdictions, where they are deemed to have a taxable presence or are otherwise subject to tax.

The (benefit)/provision for income taxes, which consists entirely of taxes payable to foreign governments outside Bermuda, is comprised of the following:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Income tax charge	108,024	828,096
Deferred tax charge/ (credit)	531,439	(5,653,660)
Total	**639,463**	**(4,825,564)**

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Significant components of Deferred tax assets and liabilities presented in the Consolidated Statement of Financial Position are as follows:

	As at March 31, 2018	As at March 31, 2017
Deferred tax liabilities		
Carrying value of Property, Plant and Equipment	979,018	1,224,691
Others	-	70,834
Total	**979,018**	**1,295,525**

	As at March 31, 2018	As at March 31, 2017
Deferred tax assets		
Carrying value of Property, Plant and Equipment	77,799	809,383
Others	-	116,363
Total	**77,799**	**925,746**





The movement in Deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	As at April 1, 2016	Charge (Credited)/ Debited to the Statement of Comprehensive income	As at March 31, 2017	Charge (Credited)/ Debited to the Statement of Comprehensive income	As at March 31, 2018
Deferred tax liabilities					
Carrying value of intangible asset	3,951,374	(3,951,374)	-	-	-
Carrying value of Property, Plant and Equipment	344,127	880,564	1,224,691	(245,673)	979,018
Others	1,961,220	(1,890,386)	70,834	(70,834)	-
Total	**6,256,721**	**(4,961,196)**	**1,295,525**	**(316,507)**	**979,018**
Deferred Tax Assets					
Carrying value of Property, Plant and Equipment	145,331	664,052	809,383	(731,584)	77,799
Others	87,951	28,412	116,363	(116,363)	-
Total	**233,282**	**692,464**	**925,746**	**(847,947)**	**77,799**

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. GCX Group did not recognise Deferred tax assets of US$323,681,108 (March 31, 2017: US$274,454,905) in respect of losses amounting to US$1,044,591,796 (March 31, 2017: US$905,655,384) that can be carried forward against future taxable income.





Tax loss carry-forwards and other temporary differences for which no deferred tax assets were recorded amounted to:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Expiring within 1 year	7,522,196	5,976,160
Expiring within 1 to 5 years	76,119,951	70,615,618
Expiring within 5 to 7 year	66,374,454	64,631,582
Expiring within 7 to 20 years	481,435,654	378,641,338
Expiring without limitation	413,139,541	385,790,686
Total un-recognized tax loss carry-forwards	**1,044,591,796**	**905,655,384**

Unrecognised temporary differences on investments in subsidiaries

Temporary differences relating to investments in subsidiaries for which deferred tax liabilities have not been recognised:

	As at March 31,2018	As at March31,2017
Undistributed earnings of subsidiaries	26,967,734	18,180,132
Unrecognised deferred tax liabilities relating to the above temporary differences	3,155,808	2,598,552

GCX Group has not recognised deferred tax liability on temporary differences towards investment (tax on outside basis) in its subsidiaries to the tune of US$3,155,808 (March 31, 2017: US$2,598,552) as GCX Group has determined that the subsidiaries profits and reserves will not be distributed in the foreseeable future and the subsidiaries will not be disposed off.

Significant management judgement is required in determining provision for income tax, deferred tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax assets is based on GCX Group's estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred tax assets will be recovered. [Refer note 3 (vi)].





22) Financial instruments

Financial instruments by category as at March 31, 2018 and March 31, 2017 are as follows:

Financial assets as per Consolidated Statement of Financial Position (at amortised cost)	As at March 31, 2018	As at March 31, 2017
Loans and Receivables		
Cash and cash equivalents	47,571,142	62,948,786
Trade receivables	244,557,703	213,102,659
Other receivables	4,968,378	20,876,037
Total	**297,097,223**	**296,927,482**

Financial Liabilities as per Consolidated Statement of Financial Position (at amortised cost)	As at March 31, 2018	As at March 31, 2017
Other Financial Liabilities		
Borrowings	353,066,209	360,388,314
Trade payables	47,988,675	27,877,210
Finance lease liabilities	-	13,568,967
Other payables	116,689,316	143,787,527
Total	**517,744,200**	**545,622,018**

The carrying amounts reported in the Consolidated Statement of Financial Position for cash and cash equivalents, trade and other receivables, trade payable, and other payable approximate their respective fair values due to their short-term nature. The fair value of finance lease liabilities (based on discounted cash flow analysis) as at March 31, 2018 is US$ Nil (March 31, 2017: US$17,163,116).

Refer to note 20 for details of interest income and expenses and gains and losses on financial assets and liabilities recognised in net profit in the Consolidated Statement of Comprehensive Income. Interest income relates to loans and receivables while interest expense (other than interest on asset retirement obligations) relates to other financial liabilities.

Fair Value Hierarchy

The three levels of the fair-value-hierarchy are described below:

Level 1: Observable inputs that reflect quoted prices (un-adjusted) for identical assets or liabilities in active markets.

Level 2: Inputs reflect quoted prices for identical assets or liabilities in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or the liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Un-observable inputs reflecting the Company's own assumptions incorporated in the valuation techniques that are used to determine the fair value. These assumptions are required to be consistent with market participant assumptions that are reasonably available.





Notes to Consolidated Financial Statements

The fair value hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements).

Non-current borrowings, 7% Senior Secured Notes are listed on Singapore Stock Exchange and actively traded in market and hence classified as level 1 in fair value hierarchy.

Fair value of financial assets and liabilities measured at amortised cost:
The fair values and carrying values of the non – current borrowings held at amortised cost are set out in the table below:

	Fair value	
	As at March 31, 2018	As at March 31, 2017
Financial Liabilities (Level 1)		
Non - Current Borrowings	329,350,000	358,470,000

	Carrying value	
	As at March 31, 2018	As at March 31, 2017
Financial Liabilities (Level 1)		
Non - Current Borrowings	348,982,875	346,232,735

Trade receivables, other receivable, trade payables, interest accrued but not due, other payable and current borrowings presented in the Consolidated Statement of Financial Position as their carrying value is approximate their fair values, due to their short-term nature. Cash and cash equivalents are held on a short term basis with all having a maturity three months or less.

The fair value of non-current borrowings is valued using the mid-price as at the reporting period.

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23) Financial and capital risk management

I. Financial risk factors

The major financial instruments of the Consolidated GCX Group include Cash and cash equivalents, trade and other receivables, finance lease liabilities, trade and other payables and borrowings. Details of these financial instruments are disclosed in the respective notes to the Consolidated Financial Statements. The risk management program of GCX Group is aimed to minimize the financial risks for the business.

a) Market risk

(i) Foreign exchange risk

Currency risk as defined under IFRS 7 arises on financial instruments being denominated in a currency that is not the functional currency of the entity and that are monetary in nature.

GCX Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the EURO and GBP. GCX Group manages this risk by mostly transacting in US$. Most of the capacity sale and purchase contracts and service revenue contracts are in US$ so are the long terms operating contracts including marine maintenance, landing station charges. The capex is also largely agreed and settled in US$. The exposure to local currency is primarily on account of employee related and selling, administration and other costs. GCX Group does not have any formal currency hedging policy as most of the transactions are transacted in US$ and does not enter in to any derivatives including forward contracts.

The currency profile of financial assets and financial liabilities as at March 31, 2018 and March 31, 2017 are as below:

As at March 31, 2018	US$	Euro	GBP	Others	Total
Financial Assets					
Cash and cash equivalents	31,878,333	9,449,406	4,213,768	2,029,635	47,571,142
Trade receivables	210,106,183	20,380,436	3,003,444	11,067,640	244,557,703
Other receivables	1,926,231	739,058	486,052	1,817,037	4,968,378
Total	**243,910,747**	**30,568,900**	**7,703,264**	**14,914,312**	**297,097,223**

As at March 31, 2018	US$	Euro	GBP	Others	Total
Financial Liabilities					
Borrowings	353,066,209	-	-	-	353,066,209
Trade payables	34,998,769	3,036,587	3,484,352	6,468,967	47,988,675
Other payables	94,461,594	12,272,586	4,439,333	5,515,803	116,689,316
Total	**482,526,572**	**15,309,173**	**7,923,685**	**11,984,770**	**517,744,200**

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As at March 31, 2017	US$	Euro	GBP	Others	Total
Financial Assets					
Cash and cash equivalents	49,647,317	3,725,020	5,827,301	3,749,148	62,948,786
Trade receivables	180,872,698	21,798,709	8,270,605	2,160,647	213,102,659
Other receivables	18,880,057	430,165	17,473	1,548,342	20,876,037
Total	**249,400,072**	**25,953,894**	**14,115,379**	**7,458,137**	**296,927,482**

As at March 31, 2017	US$	Euro	GBP	Others	Total
Financial Liabilities					
Borrowings	360,388,314	-	-	-	360,388,314
Trade payables	6,436,851	589,559	16,961,103	3,889,697	27,877,210
Finance lease liabilities	13,568,967	-	-	-	13,568,967
Other payables	97,989,372	22,969,974	12,473,973	10,354,208	143,787,527
Total	**478,383,504**	**23,559,533**	**29,435,076**	**14,243,905**	**545,622,018**

Foreign Exchange Sensitivity

Impact on Profit before tax and Equity	**For the year ended March 31, 2018**	**For the year ended March 31, 2017**
Increase/(Decrease) in Euro		
- Sensitivity (2018 - 4%, 2017 – 3%)	610,389	71,831
Increase/(Decrease) in GBP		
- Sensitivity (2018 - 3%, 2017 – 6%)	(6,613)	919,182

The sensitivity analysis is based on a reasonably possible change in the underlying foreign currency against the US$ computed from historical data and assuming all other information to be constant.

(ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Company's interest rate risk arises from borrowings. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IFRS 7, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The profile of GCX Group's borrowings as at March 31, 2018 and March 31, 2017 is provided in note 10.

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b) Credit risk

Credit risk encompasses the direct risk of default, the risk of deterioration of creditworthiness as well as concentration risks. It principally arises from deposits with banks, loans and receivables, and credit exposures to customers, including outstanding receivables. Trade receivables of GCX Group are typically unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals and periodic monitoring the creditworthiness of customers to which GCX Group grants credit terms in the normal course of business. GCX Group's customers primarily comprise of carriers and other corporate customers which are high value creditworthy companies and government controlled companies. The utilisation of credit limits is regularly monitored.

GCX Group also maintains an allowance for impairment of trade receivables based upon the expected collectability of accounts receivables. Moreover, the interest bearing deposits are with banks and financial institutions of reputation, good past track record and high quality credit rating.

GCX Group has potential concentrations of credit risk from its accounts receivables, Cash and cash equivalents.

GCX Group maintains its Cash and cash equivalents with credit worthy banks and financial institutions and reviews it on an on-going basis. As at March 31, 2018 and March 31, 2017 an amount of US$47,571,142 and US$62,948,786 is maintained with various banks and financial institutions.

(i) Financial assets which are past due but not impaired

Trade receivables which are past due but not impaired as at March 31, 2018 and March 31, 2017 amounting to US$158,186,567 and US$164,717,782 respectively.

The ageing analysis of the trade receivables have been considered from the due date. The age wise break up of trade receivables that are past due is given below:

	As at March 31, 2018	As at March 31, 2017
Particulars		
Past due 0-30 days	8,087,593	18,292,115
Past due 31-60 days	14,639,914	31,003,226
Past due 61-120 days	9,244,969	6,421,501
Past due 121-180 days	7,120,252	12,266,945
Past due over 180 days	119,093,839	96,733,995
Total	**158,186,567**	**164,717,782**

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As at March 31, 2018 trade receivables of US$119,093,839 (March 31, 2017: US$96,733,995) were past due over 180 days but not impaired. The receivables past due but not impaired are assessed on individual case to case basis which relates to a number of customers which includes related party as well as third party customer from whom there is no recent history of default and customer whom having significant sums payables by the GCX Group. These financial assets were not provided for as there had not been a significant change in credit quality and the amounts were still considered recoverable based on the nature of the activity of GCX Group and type of customers.

All other class of financial assets are neither past due nor impaired except as discussed in the points (ii) and (iii) mentioned below.

(ii) Financial assets which are past due and impaired

There are no other classes of financial assets that are past due but not impaired except for trade receivables of US$54,845,785 and US$58,776,212, as at March 31, 2018 and March 31, 2017 respectively. GCX Group's credit period is generally 30 days. The said assets include a combination of assets which are fully impaired and partly impaired.

(iii) Financial assets which are neither past due nor impaired

Trade Receivables which are neither past due nor impaired as at March 31, 2018 and March 31, 2017 aggregate to US$58,491,117 and US$40,019,863 respectively. All other financial assets are neither past due not impaired.

c) Liquidity risk

The following tables detail the remaining contractual maturities at the end of the reporting period of GCX Group, which are based on contractual and undiscounted cash flows and the earliest date GCX Group can be required to pay. GCX Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.





The following tables set forth the details of future payments as to financial liabilities as at March 31, 2018 and March 31, 2017

As at March 31, 2018	Up to 1 year	1-3 years	3-5 years	After 5 years	Total
Other financial liabilities					
Borrowings	24,500,000	362,250,000	-	-	386,750,000
Trade payables	47,988,675	-	-	-	47,988,675
Other payables	116,689,316	-	-	-	116,689,316
Total	**189,177,991**	**362,250,000**	-	-	**551,427,991**

As at March 31, 2017	Up to 1 year	1-3 years	3-5 years	After 5 years	Total
Other financial liabilities					
Borrowings	34,612,104	386,750,000	-	-	421,362,104
Trade payables	27,877,210	-	-	-	27,877,210
Finance lease liabilities	2,353,406	4,502,152	4,419,560	7,067,418	18,342,536
Other payables	143,787,527	-	-	-	143,787,527
Total	**208,630,247**	**391,252,152**	**4,419,560**	**7,067,418**	**611,369,377**

GCX Group has at its disposal cash and cash equivalents of US$47,571,142 and US$62,948,786 as at March 31, 2018 and March 31, 2017 respectively.

II. Capital management

GCX seeks to maintain a strong financial profile to safeguard its going concern, financial flexibility as well as shareholders', bond holders and other stakeholders' confidence in the company. Consequently, operating liquidity is of great importance. GCX monitors leverage ratio, interest coverage ratio, profitability and liquidity ratios to keep them in a range in compliance with covenant mentioned in indenture for 7% Senior Secured notes, due 2019.





24) Earnings per share

The calculation of basic and diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

(i) (Loss)/Profit attributable to ordinary shareholders:

	For the year ended March 31, 2018	For the year ended March 31, 2017
(Loss) from continuing operations	(1,036,868)	(44,499,713)
Profit/ (Loss) from discontinuing operation	5,864,947	(192,225,898)
Profit/ (Loss) for the year, attributable to the owners of GCX Group	4,828,079	(236,725,611)

(ii) Weighted-average number of ordinary shares:

	2018	2017
Ordinary shares at April 1	235,322,790	235,322,790
Effect of shares issued during the year	-	-
Weighted-average number of ordinary shares at March 31	235,322,790	235,322,790

(iii) Basic and diluted (loss)/earnings per share

(Loss) per share for (loss) from continuing operations attributable to the owners of GCX Group	(0.004)	(0.189)
Earnings/ (Loss)per share for profit/ (loss) from discontinuing operation attributable to the owners of GCX Group	0.025	(0.817)
Earnings/ (Loss) per share for profit/ (loss) attributable to the owners of GCX Group	0.021	(1.006)





25) Segment reporting

The GCX Group is being geared to provide the customers with a composite service tailored to their industry or their specific needs like cost optimization or increased speed of reach, which in-turn involves leveraging a combination of the assets and service capabilities of GCX Group. The CEO of GCX performs the function of Chief Operating Decision Maker ('CODM'). The GCX Group has a single operating segment, viz. Data Services Business. The Data Services Business of GCX Group provides an integrated service to its global customers.

The CODM reviews the segment results at a combined level for all regions and businesses, when assessing the GCX Group's overall performance and deciding the manner in which to allocate resources. The service revenue from external customers reported to the CODM is measured in a manner consistent with that disclosed in Note 15 of the Consolidated Statement of Comprehensive Income. Segment results represent operating profit in the Consolidated Statement of Comprehensive Income.
The non-current assets of GCX Group primarily comprise of the Network assets (refer note 4) and Intangible assets (refer note 6). Network assets primarily comprises of sub-sea cable systems and the related assets associated with it which span across several countries covering six major routes covering Trans-Atlantic, Intra-Asia, Middle East-West, Middle East-East, India-West and India-East while intangible assets cover three major routes of Japan - Singapore, France - Singapore and Singapore – Hong Kong. As network assets are not necessarily located in the country of domicile and customer relationships spread across varied locations of underlying customers, it is impracticable to disclose assets by geographical location. The billing on customers for certain capacity contracts are done primarily from one jurisdiction of preference not necessarily divided into geographical locations based on the customer location or the network assets.

Further, when a composite service is offered to a customer, while the billing may be done in one jurisdiction the services in-turn would be sought or assets used would be from different legal entities within the GCX Group domiciled in different geographies. Therefore, it is impracticable to meaningfully disclose service revenue by geographical locations.

Reliance Communications Limited contributed 9.48% of GCX Group's service revenue in the year ended March 31, 2018 (March 31, 2017: 10.53%). No customer contributes more than 10% of GCX Group's service revenue.





26) Related party transactions

GCX is controlled by GCXL, incorporated in Bermuda, which owns 100% of GCX's shares. GCX's ultimate parent is Reliance Communication Limited (incorporated in the Republic of India).

List of related parties:

(a) Parent entities

(i) Reliance Communication Limited ("RCOM") (ultimate parent)
(ii) Reliance Globalcom BV. ("RGBV") (Intermediate parent)
(iii) Global Cloud Xchange Limited ("GCXL") (parent)

(b) List of subsidiaries

Subsidiaries are direct or indirect subsidiaries of parent entities, refer note 2.1(d) for list of subsidiaries.

(c) Related parties (Fellow Subsidiaries) with whom transactions have taken place

(i) Reliance Communications Infrastructure Limited
(ii) Reliance Communications (UK) Limited
(iii) Reliance Communications (Hong Kong)Limited
(iv) Reliance Communications Inc.
(v) Reliance Communications International Inc.
(vi) Reliance Realty Limited
(vii) Reliance Webstore Limited
(viii) Reliance Tech Services Limited
(ix) Lagerwood Investments Limited

(d) Key managerial personnel

Mr. William Barney (Group CEO)

(e) Sales of services

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Service Revenue		
Parent company	34,303,132	44,157,715
Fellow subsidiaries	2,765,421	2,233,878
Total	**37,068,553**	**46,391,593**

Sales of services are negotiated with related parties on a cost-plus basis and are determined on the basis of market price.

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(f) Purchases of services

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Network Operating Expenses		
Parent company	2,782,726	7,233,454
Total	**2,782,726**	**7,233,454**

Purchases of services are negotiated with related parties on a cost-plus basis and are determined on the basis of market price.

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Other expenses		
Parent company	72,000	219,516
Fellow subsidiaries	2,625,000	2,690,350
Total	**2,697,000**	**2,909,865**

Other expenses primarily include charges towards contracted services.

(g) Key management compensation

Remuneration and benefits to key managerial personnel US$1,602,626 (March 31, 2017: US$2,099,966).

(h) Year-end balances arising from sales/purchases of services

Particulars	As at March 31, 2018	As at March 31, 2017
Trade Receivables		
Parent company	109,889,366	78,662,271
Fellow subsidiaries*	25,559,267	13,595,232
Total	**135,448,633**	**92,257,503**

The receivables from related parties arise mainly from sales transactions and are due 1-2 months after the date of sales. The receivables are unsecured in nature and bear no interest. No provisions are held against receivables from related parties.

*Trade receivables from fellow subsidiaries includes US$8,260,000 of receivables related to Development Agreement, entered for completion of work related to fit-out of the IDC 5 data center facility situated at Navi Mumbai India.





Particulars	As at March 31, 2018	As at March 31, 2017
Other Receivables		
Parent company	8,332,618	5,833,218
Fellow subsidiaries	196,296	2,468,782
Total	**8,528,914**	**8,302,000**

Other receivable are mainly due to advance payments for purchase transactions.

Particulars	As at March 31, 2018	As at March 31, 2017
Trade Payables		
Parent company	499,917	906,458
Fellow subsidiaries	8,196,059	3,452,350
Total	**8,695,976**	**4,358,808**

The payables to related parties arise mainly from purchase transactions and are due 1-2 months after the date of purchase. The payables bear no interest.

Particulars	As at March 31, 2018	As at March 31, 2017
Accrued expenses		
Parent company	699,593	-
Fellow subsidiaries	14,705	1,409,416
Total	**714,298**	**1,409,416**

Particulars	As at March 31, 2018	As at March 31, 2017
Payable towards capital expenditure		
Fellow subsidiaries	150,575	135,000
Total	**150,575**	**135,000**

Particulars	As at March 31, 2018	As at March 31, 2017
Advance from customer		
Fellow subsidiaries	51,452	-
Total	**51,452**	-

Advances from customer represent mainly sums received in advance for development agreement entered for completion of the IDC 5 data center facility situated in Navi Mumbai India.





(i) Year-end balances arising from other transactions

Particulars	As at March 31, 2018	As at March 31, 2017
Other Payables		
Parent company	45,798	10,483
Fellow subsidiaries	355,400	355,400
Total	**401,198**	**365,883**

27) Lease

Operating lease

i) As lessee :

Lease Details	For the year ended March 31, 2018	For the year ended March 31, 2017
Minimum lease payments under operating leases recognised as expense during the year	2,981,117	3,211,239

ii) The lease rentals charged during the period for cancellable / non-cancellable lease relating to the rent of building and office premises are as per agreement and the maximum obligation on long term non-cancellable operating lease are as under:

Minimum lease payments Non-cancellable Lease	As at March 31, 2018	As at March 31, 2017
Not later than one year	1,044,884	2,332,473
Later than one year but not later than five years	637,914	2,818,762
Later than five years	-	272,295
	1,682,798	**5,423,530**

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Finance lease

GCX Group leases dark fibre optic transmission systems and vehicles under non-cancellable finance lease agreements. The lease terms are between 15 to 25 years for dark fibre optic transmission systems and between 3 to 5 years for vehicles.

Gross finance lease liabilities - Minimum lease payments	**As at March 31, 2018**	**As at March 31, 2017**
Not later than one year	-	2,353,406
Later than one year but not later than five years	-	8,921,713
Later than five years	-	7,067,417
	-	18,342,536
Future finance charges on finance lease liabilities	-	(4,773,569)
Present value of finance lease liabilities	-	**13,568,967**

Present value of finance lease liabilities is as follows:

	As at March 31, 2018	**As at March 31, 2017**
Not later than one year	-	1,385,844
Later than one year but not later than five years	-	6,190,665
Later than five years	-	5,992,458
	-	**13,568,967**

The Company terminated all of its finance lease contracts and this has resulted in reduction in finance lease assets by US$14,790,981 (March 31, 2017: US$1,090,393) and finance lease obligations by US$12,990,405 (March 31, 2017: US$1,782,791).

28) Discontinued operation

In November 2016, following a strategic decision to exit the U.S.A. Ethernet business, the Company through its wholly owned subsidiary Reliance Globalcom Services Inc. (RGSI) acquired a newly incorporated Company named "Onyx NewCo LLC" (ONL), a Delaware Registered Company. In this respect, (i) as of on November 15, 2016, the customer contracts plus certain assets and liabilities of RGSI Ethernet Division were transferred to ONL and (ii) as on November 16, 2016 the entire issued share capital of ONL was acquired by GTT Americas LLC. The RGSI Ethernet Operations were classified as a discontinued operation in the previous year.

The intra-group transactions relating to discontinued operations have been fully eliminated in the consolidated financial statements, management has eliminated intra-group transactions from the results of the discontinued operation. In the current year, the RGSI has settled its assets and liabilities and resulting gain or loss occurred due to abandonment has been disclosed as a part of discontinued operations.

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Notes to Consolidated Financial Statements

Details presentation is as below:

A. Results of discontinued operation

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
REVENUE		
Service revenue	1,950,000	19,075,796
Other income	7,678,561	2,157,499
Elimination of inter-operation revenue	(1,950,000)	(2,988,818)
Total Revenue	**7,678,561**	**18,244,477**
EXPENSES		
Network operation expenses	1,950,000	19,862,857
Employee cost	106,342	2,244,238
Depreciation and amortisation	979,886	3,974,486
Other expenses	375,561	2,663,068
Elimination of inter-operation expenses	(1,950,000)	(2,988,818)
Total Expenses	**1,461,789**	**25,755,831**
Operating Profit/ (Loss)	**6,216,772**	**(7,511,354)**
Finance income	1,472	1,382
Finance costs	(415,922)	(728,610)
Finance cost	**(414,450)**	**(727,228)**
Gain on foreign currency fluctuation (net)	62,625	145,144
Profit/ (Loss) before income tax	**5,864,947**	**(8,093,438)**
Income tax credit	-	3,951,374
Profit/(Loss) from operation after tax	**5,864,947**	**(4,142,064)**
Loss on disposal of discontinued operation	-	(188,083,834)
Profit/ (Loss) from discontinued operation attributable to the owners of GCX Group	**5,864,947**	**(192,225,898)**

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B. Cash flow generated/ (used in) discontinued operation

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Net cash generated in operating activities	3,562,750	7,999,919
Net cash used in investing activities	(4,346,026)	(7,671,231)
Net cash (used) /generated in financing activities	(994,483)	35,041
Net cash flows for the year	**(1,777,759)**	**363,729**

C. Effect of disposal on the Group

Particulars	For the year ended March 31, 2017
Effect of disposal on the Group	
Derecognition of intangible (Goodwill relating to RGSI's Ethernet Division)(Net)	(169,600,977)
Property, plant and equipment (Net)	(18,758,633)
Capital WIP	(2,559,999)
Assets relating to discontinued operation	(190,919,609)
Net consideration	
Consideration	28,000,000
Cost related to transition services and settlement	(25,164,225)
	2,835,775
Loss on disposal of discontinued operation	**(188,083,834)**

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29) Detailed presentation of Restricted and Unrestricted subsidiaries

Statement of Comprehensive Income

For the year ended March 31, 2018

Particulars	Restricted Subsidiaries*	Unrestricted Subsidiaries*	Total	Intragroup elimination	Net Total
REVENUE					
Service Revenue	361,853,834	1,950,000	363,803,834	(1,950,000)	361,853,834
Other income	7,342,833	7,678,561	15,021,394	-	15,021,394
Total Revenue	**369,196,667**	**9,628,561**	**378,825,228**	**(1,950,000)**	**376,875,228**
EXPENSES					
Network Operation Expenses	170,924,167	1,950,000	172,874,167	(1,950,000)	170,924,167
Employee cost	61,782,576	106,342	61,888,918	-	61,888,918
Depreciation and amortisation	82,565,555	979,886	83,545,441	-	83,545,441
Other Expenses	23,974,922	383,561	24,358,483	-	24,358,483
Total Expenses	**339,247,220**	**3,419,789**	**342,667,009**	**(1,950,000)**	**340,717,009**
Operating Profit	**29,949,447**	**6,208,772**	**36,158,219**	**-**	**36,158,219**
Finance income	45,477	1,472	46,949	-	46,949
Finance costs	(27,867,033)	(415,922)	(28,282,955)	-	(28,282,955)
Finance cost, net	**(27,821,556)**	**(414,450)**	**(28,236,006)**	**-**	**(28,236,006)**
Gain/(Loss) on Foreign Currency fluctuation (net)	(2,445,454)	62,625	(2,382,829)	-	(2,382,829)
(Loss)/ Profit before income tax	**(317,563)**	**5,856,947**	**5,539,384**	**-**	**5,539,384**
Income tax charge	(639,463)	-	(639,463)	-	(639,463)
Net (Loss)/ Profit for the year	**(957,026)**	**5,856,947**	**4,899,921**	**-**	**4,899,921**

* refer note 2.1.d for list of restricted and unrestricted subsidiaries.





Detailed presentation of Restricted and Unrestricted subsidiaries

Statement of Comprehensive Income

For the year ended March 31, 2018

Particulars	Restricted Subsidiaries*	Unrestricted Subsidiaries*	Total	Intragroup elimination	Net Total
Other comprehensive income					
Items that may be subsequently reclassified to profit or loss					
Currency translation difference	(261,242)	-	(261,242)	-	(261,242)
Total other comprehensive income for the year	**(261,242)**	**-**	**(261,242)**	**-**	**(261,242)**
Total comprehensive income for the year	**(1,218,268)**	**5,856,947**	**4,638,679**	**-**	**4,638,679**
Net (Loss)/Profit attributable to:					
Owners of GCX Group	(1,028,868)	5,856,947	4,828,079	-	4,828,079
Non-controlling Interest	71,842	-	71,842	-	71,842
Total Net (Loss)/Profit	**(957,026)**	**5,856,947**	**4,899,921**	**-**	**4,899,921**
Total comprehensive income attributable to:					
Owners of GCX Group	(1,290,110)	5,856,947	4,566,837	-	4,566,837
Non-controlling Interest	71,842	-	71,842	-	71,842
Total comprehensive income	**(1,218,268)**	**5,856,947**	**4,638,679**	**-**	**4,638,679**

* refer note 2.1.d for list of restricted and unrestricted subsidiaries.





Detailed presentation of Restricted and Unrestricted subsidiaries

Statement of Financial Position

As at March 31, 2018

Particulars	Restricted Subsidiaries*	Unrestricted Subsidiaries*	Total	Intragroup elimination	Net Total
Assets					
Non-current Assets					
Property, plant and equipment	878,233,827	-	878,233,827	-	878,233,827
Capital Work-in-Progress	52,611	-	52,611	-	52,611
Intangible assets	106,082,979	-	106,082,979	-	106,082,979
Intangible assets under development	3,300,000	-	3,300,000	-	3,300,000
Trade and other receivables	17,021,630	288,247	17,309,877	-	17,309,877
Current tax assets	1,899,158	-	1,899,158	-	1,899,158
Deferred tax assets	77,799	-	77,799	-	77,799
Total Non-current Assets	**1,006,668,004**	**288,247**	**1,006,956,251**	**-**	**1,006,956,251**
Current Assets					
Trade and other receivables	272,952,488	441,646	273,394,134	-	273,394,134
Cash and cash equivalents	47,544,756	26,386	47,571,142	-	47,571,142
Financial assistance to related parties	-	9,742,320	9,742,320	(9,742,320)	-
Total Current assets	**320,497,244**	**10,210,352**	**330,707,596**	**(9,742,320)**	**320,965,276**
Total Assets	**1,327,165,248**	**10,498,599**	**1,337,663,847**	**(9,742,320)**	**1,327,921,527**

* refer note 2.1.d for list of restricted and unrestricted subsidiaries.





Detailed presentation of Restricted and Unrestricted subsidiaries

Particulars	Restricted Subsidiaries*	Unrestricted Subsidiaries*	Total	Intragroup elimination	Net Total
Equity and Liabilities					
Equity attributable to the owners of the GCX Group					
Share capital	235,322,790	315,946,575	551,269,365	(315,946,575)	235,322,790
Securities premium	104,163,499	-	104,163,499	-	104,163,499
Retained earnings	(152,306,002)	(308,684,323)	(460,990,325)	315,946,575	(145,043,750)
Foreign currency translation reserve	(70,803,972)	-	(70,803,972)	-	(70,803,972)
Capital reserves	72,816,469	-	72,816,469	-	72,816,469
Total equity attributable to the owners of the GCX Group	**189,192,784**	**7,262,252**	**196,455,036**	-	**196,455,036**
Non-controlling interest	(2,613,491)	-	(2,613,491)	-	(2,613,491)
Total Equity	**186,579,293**	**7,262,252**	**193,841,545**	-	**193,841,545**
Liabilities					
Non- current Liabilities					
Borrowings	348,982,875	-	348,982,875	-	348,982,875
Trade and other Payables	1,491,792	-	1,491,792	-	1,491,792
Deferred revenue	441,923,158	-	441,923,158	-	441,923,158
Asset Retirement Obligation	21,282,386	-	21,282,386	-	21,282,386
Deferred tax liabilities	979,018	-	979,018	-	979,018
Total Non-current Liabilities	**814,659,229**	-	**814,659,229**	-	**814,659,229**
Current Liabilities					
Borrowings	4,083,334	-	4,083,334	-	4,083,334
Trade and other payables	164,188,876	3,236,347	167,425,223	-	167,425,223
Deferred revenue	146,606,554	-	146,606,554	-	146,606,554
Current tax liabilities	1,305,642	-	1,305,642	-	1,305,642
Financial assistance from related parties	9,742,320	-	9,742,320	(9,742,320)	-
Total Current Liabilities	**325,926,726**	**3,236,347**	**329,163,073**	**(9,742,320)**	**319,420,753**
Total Liabilities	**1,140,585,955**	**3,236,347**	**1,143,822,302**	**(9,742,320)**	**1,134,079,982**
Net assets/(liabilities)	**186,579,293**	**7,262,252**	**193,841,545**	-	**193,841,545**
Total equity and liabilities	**1,327,165,248**	**10,498,599**	**1,337,663,847**	**(9,742,320)**	**1,327,921,527**

* refer note 2.1.d for list of restricted and unrestricted subsidiaries.

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

GCX LIMITED

30) Commitment, Contingencies and Litigations (to the extent not provided for):

Amount in US$

Particulars	March 31, 2018	March 31, 2017
Estimated value of contracts remaining to be executed on capital account (net of advances)	12,725,206	19,284,447
Claims against the Company not acknowledged as debts:		
- Licensing disputes with statutory authorities	-	373,965
- Employee Litigation	162,108	30,601

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

India Tax Litigation:

Reliance Globalcom Limited, Bermuda, files its income tax return with the Income Tax Authorities of India as a non-resident to claim the refund of tax deducted by its customers in India. The Income Tax Authorities of India have disputed the claim of the Company on various grounds. In February 2015 and June 2015 Income Tax Appellate Tribunal (ITAT) pronounced a favorable ruling for various Financial Years resulting in refunds paid to the Company of approximately INR 540 million (US$8.3 million equivalent). The Income Tax Authorities of India have subsequently appealed to the High Court against ITAT order. The appeal is still in the admissions stage.

31) Pledge of Shares

Reliance Globalcom B.V., the Netherlands (RGBV), the holding company, has availed a facility from Standard Chartered Bank (Lender), as amended from time to time. Shares, inter alia of GCX Limited (GCX) and Global Cloud Xchange Limited (GCXL) were pledged to the Lender of the aforesaid facility. GCX and GCXL are not guarantors to the facility. The principal outstanding under facility is $12.57million. RGBV has delayed in the payment of dues to the lender for which an overall debt resolution plan is under consideration.





32) Acquisition of telecommunication assets in India

As at March 31, 2018, GCX and its subsidiaries have outstanding trade receivable aggregating to US$135,448,633 from its related parties i.e. Reliance Communications Limited (RCOM), Reliance Communications Inc., Reliance Communications UK Limited, Reliance Realty Limited and Reliance Communications (HK) Limited and advances to vendor include receivable of US$8,528,914 from Reliance Communications Limited, Reliance Communication Inc. and Global Cloud Xchange Limited.

GCX and its subsidiaries have entered into a legally binding term sheet with Reliance Communications Limited (RCOM) and Reliance Webstore Limited to acquire the Data Centre Business owned by RCOM through its subsidiary i.e. Reliance IDC Limited (RIDC) for a consideration of US$130 million, determined by reference to an independent fair valuation report. The acquisition of the Data Centre Business by GCX is bifurcated into two parts: Part A is the assumption of management and operations, where RCOM has granted and GCX has assumed the management rights of the Data Centre Business, including the exclusive use and operation of assets / services necessary for the conduct of the Data Centre Business. Part B, for the sale to GCX of the RIDC business, will be executed upon RCOM and/or GCX obtaining third-party lender approval / consents, as applicable, and will be effected by either acquiring the entire paid-up share capital of RIDC or by acquiring the undertaking and assets of RIDC.

Hon'ble National Company Law Tribunal (NCLT), Mumbai had admitted application filed by an operational creditor for its claim against the RCOM, Reliance Telecom Limited (RTL) and Reliance Infratel Limited (RITL) and thereby admitted these Companies to debt resolution process under the Insolvency and Bankruptcy Code, 2016 (IBC). As a consequence, Interim Resolution Professional were appointed by NCLT. These Companies have filed an application with Hon'ble National Company Appellate Law Tribunal (NCLAT) against the NCLT Order. By Order of the NCLAT dated 30 May 2018, such proceedings were made the subject of an interim stay. In view of management, which is also supported by a legal advice, there is no uncertainty with respect to legal enforceability of the term sheet and there are no significant challenges in execution of the transaction to acquire Data Centre Business as there is no charge created on the Data Centre Business assets.

On completion of the above transaction, the consideration for acquisition of the RIDC business will be funded by way of an off-set of trade receivables due to GCX and its subsidiaries from RCOM and its subsidiaries and confident of recovering the remaining amount due from RCOM and its subsidiaries.





33) New standards and amendments

The following standards, amendments and interpretation, which were in issue but not yet effective and have not been early adopted by the GCX Group.

a. IFRS 15 'Revenue from contracts with customers': The IASB has issued a new standard for the recognition of revenue. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The standard permits either a full retrospective or a modified retrospective approach for the adoption. This IFRIC is effective for annual periods beginning on or after January 01, 2018.

b. IFRIC 22 – Foreign currency transactions and advance consideration: This IFRIC addresses foreign currency transactions or parts of transactions where there is consideration that is denominated or priced in a foreign currency. The interpretation provides guidance for when a single payment/receipt is made as well as for situations where multiple payments/receipts are made. The guidance aims to reduce diversity in practice. This IFRIC is effective for annual periods beginning on or after January 01, 2018.

c. IFRIC 23 – Uncertainty over income tax treatments: This IFRIC explains how to recognise and measure deferred and current tax assets and liabilities where there is uncertainty over a tax treatment. It provides a framework to consider, recognise and measure the accounting impact of tax uncertainties. This IFRIC is applicable for annual periods beginning on or after January 01, 2019

The management of the GCX Group is in the process of assessing the impact of these new or revised standards, amendments and interpretations. 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.

34) Approval of Consolidated Financial Statements

The Consolidated Financial Statements were authorised for issue by the Board of Directors on ..July..16., 2018.

Rory Cole
Chief Financial Officer
Date: July 16, 2018
Place: London

Rodney Riley
Director
Date: July 16, 2018
Place: London.

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

GCX LIMITED

OFFICE COPY

Independent auditor's report

To the Members of GCX Limited

Report on the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements of GCX Limited and its subsidiaries (the Group) present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2017, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Section 84 of the Companies Act, 1981 of Bermuda (the "Act") and International Financial Reporting Standards.

What we have audited

The Group's consolidated financial statements comprise:

-the consolidated statement of financial position as at March 31, 2017;

-the consolidated statement of comprehensive income for the year then ended;

-the consolidated statement of changes in equity for the year then ended;

-the consolidated statement of cash flows for the year then ended; and

-the notes to the consolidated financial statements, which include a summary of significant accounting policies and other explanatory informations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Key Audit Matter	How our audit addressed the key audit matter
Revenue Recognition	
We have identified revenue recognition as a key audit matter as there is a risk of inaccurate classification of long term structured contracts. These contracts can be classified as lease or service contract, depending on the contracted terms. The accounting policies for revenue recognition are set out in Note 2.15 to the consolidated financial statements and the different revenue streams for the Group have been disclosed in Note 15 to the consolidated financial statements.	Our testing of revenue recognition include both test of controls, as well as substantive procedures. • Our test of control was focused on review and classification of customer contracts during its authorisation process and the input of this information in to the billing systems. We tested the access controls and change management controls for the Group's billing systems. • Our substantive procedure include testing of samples of customer invoices to verify that the revenue is recognised in accordance with the terms set out in the customer agreements, in line with the accounting policy of the Company. We did not noted any significant or unresolved exceptions in our testing.
Discontinued Operations	
On November 16, 2016, following a strategic decision to exit the U.S.A. Ethernet business, the Company has disposed off its Ethernet business to GTT Americas LLC and this resulted in loss on disposal of Ethernet Business. We have identified the discontinued operations as key audit matter considering the significance of the event, in respect of management's assessment of its classification and disclosures in the consolidated financial statements. Refer note 28 'Discontinued Operations' and Note 4, 5 and 6 for de-recognition of PPE (including CWIP) and of goodwill.	We have evaluated management's assessment in relation to the classification of the Ethernet business as Discontinued operations, in accordance with the classification criteria under IFRS 5, as this has a material effect on the presentation of the financial statements. We also assessed the adequacy of the disclosures in Note 28 'Discontinued operations' of the consolidated financial statements. We have checked the management assumption of separate major geographical area of operation used in classifying the Ethernet business as discontinued operation and the calculations of loss on disposal of Ethernet business with underlying agreements. We have also checked that the transactions and balances are appropriately classified as from continuing / discontinuing operations post initial disclosure event by performing substantive procedures over such transactions and balances. We have concluded that the disclosures are appropriate.

Price Waterhouse
Chartered Accountants
FRN 301112S
Mumbai

Impairment of Goodwill	
The Group had significant goodwill from historical acquisition of its subsidiary, Reliance Vanco Group Limited (Vanco). It has considered the subsidiary as cash-generating units (CGUs) for Impairment testing of goodwill. We consider impairment testing of goodwill to be a key audit matter because of the significant judgement with respect to assumptions concerning the future results of the business and the discount rates applied to future cash flow forecasts. Please refer to Critical accounting estimates and judgements Note 3(v) Impairment of Goodwill and Note 6 of the consolidated financial statements for the key assumptions regarding long term growth rate and discount rate used in impairment test.	We evaluated and tested management's assumptions as described in note 6 of the notes to the consolidated financial statements. We involved auditor's independent valuation experts to assess the model and the weighted average cost of capital (WACC) used. The WACC was assessed using comparable industry peers and data available from external sources. The calculations used in the model were re-performed to check accuracy and the key inputs in the model were agreed to underlying sources. Management's future cash flow forecasts used in the model were assessed by: – testing that the forecasts agreed to the latest Annual Operating Plan approved by management; – considering current year performance against plan and the reasons for any deviation, and key drivers or strategies underlying the plan. These were discussed with top management of the GCX Group for Vanco CGU; – comparing the historical achievement of the Annual Operating Plan with forecast used in the prior year model to the actual performance in the current year. We also assessed whether the uncertainty in forecasts was appropriately factored into the valuation model. We evaluated the sufficiency of sensitivity analysis performed by the management and further Independent sensitivity analysis was performed by us to identify further possible risk of impairment and no such instances noted. In case of recorded impairment losses, we tested the impairment calculations. Based on our procedures performed, we identified no significant issues with respect to the assumptions used in the impairment test for goodwill.



Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Act and International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Partha Ghosh

Partha Ghosh
Partner
Membership Number: 55913

252 Veer Savarkar Marg,
Shivaji Park,
Dadar (West),
Mumbai 400 028, India.

Date: Jun 29, 2017
Place: Noida



GCX Limited

Consolidated Financial Statements as of and for the year ended March 31, 2017

GCX Limited

Consolidated Financial Statements

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GCX Limited –Consolidated Financial Statements

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Financial Position

Particulars	Notes	As at March 31, 2017	As at March 31, 2016
Assets			
Non-current Assets			
Property, plant and equipment	4	934,868,269	987,536,809
Capital work-in-progress	5	181,371	18,818,731
Intangible assets	6	117,236,403	374,289,383
Trade and other receivables	7	13,877,300	18,190,411
Current tax assets		2,231,888	2,413,747
Deferred tax assets	21	925,746	233,282
Total Non-current Assets		**1,069,320,977**	**1,401,482,363**
Current Assets			
Trade and other receivables	7	255,805,764	206,841,231
Cash and cash equivalents	8	62,948,786	83,410,140
Total Current assets		**318,754,550**	**290,251,371**
Total Assets		**1,388,075,527**	**1,691,733,734**
Equity and Liabilities			
Equity attributable to the owners of the GCX Group			
Share capital	9	235,322,790	235,322,790
Share premium	9	104,163,499	104,163,499
Other reserves	9	72,816,469	72,816,469
Retained earnings	9	(149,871,829)	86,853,782
Foreign currency translation reserve	9	(70,542,730)	(59,374,780)
Total equity attributable to the owners of the GCX Group		**191,888,199**	**439,781,760**
Non-controlling interest		(2,685,333)	(2,787,103)
Total Equity		**189,202,866**	**436,994,657**

GCX Limited –Consolidated Financial Statements

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Financial Position

Particulars		As at March 31, 2017	As at March 31, 2016
Liabilities			
Non- current Liabilities			
Borrowings	10	358,415,858	358,876,686
Trade and other payables	12	1,533,721	1,225,190
Deferred revenue	13	483,722,106	533,987,870
Asset Retirement Obligation	14	20,904,782	20,533,959
Deferred tax liabilities	21	1,295,525	6,256,721
Total Non-current Liabilities		**865,871,992**	**920,880,426**
Current Liabilities			
Borrowings	10	15,541,423	5,658,889
Trade and other payables	12	174,750,522	179,100,464
Deferred revenue	13	140,995,813	146,013,997
Current tax liabilities		1,712,911	3,085,301
Total Current Liabilities		**333,000,669**	**333,858,651**
Total Liabilities		**1,198,872,661**	**1,254,739,077**
Net Assets		**189,202,866**	**436,994,657**
Total Equity and Liabilities		**1,388,075,527**	**1,691,733,734**

The accompanying notes form an integral part of these Consolidated Financial Statements.

Rory Cole
Chief Financial Officer
Place: Mumbai
Date: 29 June 2017

Rodney Riley
Director
Place: London
Date: 29 June 2017

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

GCX LIMITED

Consolidated Statement of Comprehensive Income

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Continuing Operations			
REVENUE			
Service revenue	15	403,109,629	431,379,495
Other income	16	3,471,989	8,419,405
Total Revenue		**406,581,618**	**439,798,900**
EXPENSES			
Network operation expenses	17	192,215,412	210,806,555
Employee cost	18	56,688,828	54,679,608
Depreciation and amortisation	4,6	78,786,226	84,961,876
Impairment of goodwill	6	69,460,848	-
Other expenses	19	28,194,707	27,027,138
Total Expenses		**425,346,021**	**377,475,177**
Operating (Loss)/Profit		**(18,764,403)**	**62,323,723**
Finance income	20	66,772	17,720
Finance costs	20	(27,930,711)	(27,738,358)
Finance cost, net		**(27,863,939)**	**(27,720,638)**
Gain/(Loss) on foreign currency fluctuation (net)		1,356,209	(2,202,261)
(Loss)/Profit before income tax		**(45,272,133)**	**32,400,824**
Current tax credit (including reversal of provisions relating to earlier years US$ 211,652, March 2016:12,738,556)	21	874,190	8,346,387
Net (Loss)/Profit from continuing operations		**(44,397,943)**	**40,747,211**
Discontinued operation			
Loss from discontinued operation attributable to the owners of GCX Group	28	(192,225,898)	(19,937,342)
Net (Loss)/Profit from operations		**(236,623,841)**	**20,809,869**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Exchange difference on translation of foreign operations		(11,167,950)	(5,851,446)
Total other comprehensive income for the year		**(11,167,950)**	**(5,851,446)**
Total comprehensive income for the year		**(247,791,791)**	**14,958,423**

GCX LIMITED

Chartered Accountants
Mumbai

Consolidated Statement of Comprehensive Income

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Net (Loss)/Profit attributable to:			
Owners of GCX Group		(236,725,611)	20,797,176
Non-controlling Interest		101,770	12,693
Total Net (Loss)/Profit		**(236,623,841)**	**20,809,869**
Total Other comprehensive income attributable to:			
Owners of GCX Group		(11,167,950)	(5,851,446)
Non-controlling Interest		-	-
Total Other comprehensive income		**(11,167,950)**	**(5,851,446)**
Total comprehensive income attributable to:			
Owners of GCX Group		(247,893,561)	14,945,730
Non-controlling Interest		101,770	12,693
Total comprehensive income		**(247,791,791)**	**14,958,423**
Net (Loss)/Profit attributable to:			
Owners of GCX Group			
Continuing operations		(44,499,713)	40,734,518
Discontinued operation		(192,225,898)	(19,937,342)
Total		**(236,725,611)**	**20,797,176**
(Loss)/ Earnings per share for (loss)/ profit from continuing operations attributable to the owners of GCX Group	24	(0.19)	0.17
Loss per share for loss from discontinuing operations attributable to the owners of GCX Group	24	(0.82)	(0.08)
(Loss)/ Earnings per share for (loss)/ profit attributable to the owners of GCX Group	24	(1.01)	0.09

The accompanying notes form an integral part of these Consolidated Financial Statements

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

Rory Cole
Chief Financial Officer
Place: Mumbai
Date: 29 June 2017

Rodney Riley
Director
Place: London
Date: 29 June 2017

GCX LIMITED

Consolidated Statement of Cash Flows

	Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
(A)	**CASH FLOW FROM OPERATING ACTIVITIES:**			
	(Loss)/Profit after tax from			
	- Continuing operations		(44,397,943)	40,747,211
	- Discontinued operation		(192,225,898)	(19,937,342)
	(Loss)/Profit after tax including discontinued operation		**(236,623,841)**	**20,809,869**
	Adjustments for:			
	Depreciation and Amortisation	4,6	82,760,712	90,549,658
	Impairment of Goodwill	6	69,460,848	-
	Loss on disposal of discontinued operation	28c	188,083,834	-
	Gain on cancellation of finance lease liability	16	(77,336)	(294,222)
	Finance Income	20	(68,154)	(18,322)
	Finance cost	20	28,659,321	29,168,752
	Current tax credit	21	(4,825,564)	(8,878,819)
	Operating Profit before Working Capital Changes		**127,369,820**	**131,336,916**
	Changes in Working Capital:			
	(Increase) in Trade and Other receivables		(16,697,600)	(32,272,878)
	(Decrease) in Trade and other payables		(22,213,054)	(1,051,856)
	(Decrease) in Deferred revenue		(55,283,948)	(42,164,000)
	Net cash generated from operating activities before income tax		**33,175,218**	**55,848,182**
	Income tax paid (net of refunds received)		(2,018,627)	(4,626,261)
	Net Cash generated from Operating Activities (A)		**31,156,591**	**51,221,921**
(B)	**CASH FLOW USED IN INVESTING ACTIVITIES:**			
	Purchase of property, plant and equipment and intangibles		(21,446,308)	(32,310,057)
	Interest Received	20	68,154	18,322
	Net Cash used in Investing Activities (B)		**(21,378,154)**	**(32,291,735)**
(C)	**CASH FLOW FROM FINANCING ACTIVITIES:**			
	Repayment of Finance lease liabilities		(1,416,898)	(1,509,338)
	Interim dividend paid		(15,002,430)	-
	Proceeds from Revolving credit facility (Bank Loan)	10	10,000,000	-
	Credit facility charges paid	20	(417,851)	(488,000)
	Interest Paid	20	(25,252,173)	(25,959,144)
	Net Cash used in Financing Activities (C)		**(32,089,352)**	**(27,956,482)**
	Net (Decrease) in Cash and Cash Equivalents (A+B+C)		**(22,310,915)**	**(9,026,296)**

GCX LIMITED

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

Consolidated Statement of Cash Flows

Particulars		For the year ended March 31, 2017	For the year ended March 31, 2016
Foreign currency fluctuation		1,849,561	393,856
Cash and cash equivalents at beginning of the year	8	83,410,140	92,042,580
Cash and cash equivalents at end of the year	8	62,948,786	83,410,140

The accompanying notes form an integral part of these Consolidated Financial Statements.

Note:

1. Cash flow related to discontinued operations are disclosed in Note 28B.

Rory Cole
Chief Financial Officer
Place: Mumbai
Date: 29 June 2017

Rodney Riley
Director
Place: London
Date: 29 June 2017

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

GCX LIMITED

GCX Limited –Consolidated Financial Statements

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Changes in Equity

	Attributable to the owners of GCX Group							
	Share Capital	Share Premium	Retained Earnings	Foreign currency translation reserve	Capital Reserves	Total	Non-controlling interests	Total equity
Balance as at April 1, 2016	**235,322,790**	**104,163,499**	**86,853,782**	**(59,374,780)**	**72,816,469**	**439,781,760**	**(2,787,103)**	**436,994,657**
Comprehensive income								
Net profit/(Loss) for the year (a)	-	-	(236,725,611)	-	-	(236,725,611)	101,770	**(236,623,841)**
Other comprehensive income								
Foreign currency translation reserve	-	-	-	(11,167,950)	-	(11,167,950)	-	**(11,167,950)**
Total other comprehensive income (b)	-	-	-	(11,167,950)	-	(11,167,950)	-	**(11,167,950)**
Total comprehensive income (a + b)	-	-	**(236,725,611)**	**(11,167,950)**	-	**(247,893,561)**	**101,770**	**(247,791,791)**
Balance as at March 31, 2017	**235,322,790**	**104,163,499**	**(149,871,829)**	**(70,542,730)**	**72,816,469**	**191,888,199**	**(2,685,333)**	**189,202,866**

GCX LIMITED

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

GCX Limited –Consolidated Financial Statements

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Changes in Equity

	Attributable to the owners of GCX Group							
	Share Capital	Share Premium	Retained Earnings	Foreign currency translation reserve	Capital Reserves	Total	Non-controlling interests	Total equity
Balance as at April 1, 2015	235,322,790	104,163,499	81,059,036	(53,523,334)	72,816,469	439,838,460	(2,802,226)	437,036,234
Comprehensive income								
Net profit for the year (a)	-	-	20,797,176	-	-	20,797,176	12,693	**20,809,869**
Other comprehensive income								
Foreign currency translation reserve	-	-	-	(5,851,446)	-	(5,851,446)	-	**(5,851,446)**
Total other comprehensive income (b)	-	-	-	(5,851,446)	-	(5,851,446)	-	**(5,851,446)**
Total comprehensive income (a + b)	-	-	20,797,176	(5,851,446)	-	14,945,730	12,693	14,958,423
Interim dividend declared	-	-	(15,002,430)	-	-	(15,002,430)	2,430	**(15,000,000)**
Balance as at March 31, 2016	235,322,790	104,163,499	86,853,782	(59,374,780)	72,816,469	439,781,760	(2,787,103)	436,994,657

GCX LIMITED

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

GCX Limited –Consolidated Financial Statements

(All amounts are in USD ('US$') unless otherwise stated)

Notes to Consolidated Financial Statements

1) General information

GCX Limited ("GCX") is a wholly owned subsidiary of Global Cloud Xchange Limited, Bermuda (GCXL). The registered address of the Company is Cumberland House, 9th Floor, 1 Victoria Street, Hamilton HM11, Bermuda. GCX is in the business of providing Data Services Business, it provides an integrated service to its global customers by leveraging assets and capabilities at following levels:

1. Infrastructure layer: Integrating subsea network along with US and Pan European Domestic Fibre network and data centers;

2. Data connectivity layer: Selling bandwidth capacity on Indefeasible Right of Use ("IRU") and lease basis, network connectivity services including Global Ethernet, International Private Line, IP Virtual Private Network; and

3. Cloud layer: Selling data center services including co-location services and data center access.

The customer base for Data Services Business include entities requiring a composite service across the various capabilities or any specific asset or service from the offerings described above. The Data Services Business of GCX Group therefore includes an interwoven portfolio of infrastructure and data centre solutions with sophisticated cloud orchestration capabilities. This includes offering a variety of services which include long-term rights of use in capacity, leased capacity services, managed bandwidth services, Internet Protocol ('IP') transit, international private line, IP point-to-point and virtual private network, co-location services, data centre access, global ethernet, managed network solution services and international telecommunication services between sub continents. The customers include established carriers, major public telephone operator or business entities that require such services. During the year group has disposed off ethernet business relating to Reliance Globalcom Services Inc (refer note 28).

References in these Consolidated Financial Statements to "we" "group" "GCX Group" or "us" refers to "GCX and its Subsidiaries.

2) Summary of significant accounting policies

Basis of preparation

The consolidated financial statements of Group have been prepared in accordance with International Financial Reporting Standards ('IFRS'), as issued by the International Accounting Standards Board ("IASB"). These financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies.

The preparation of Consolidated Financial Statements in accordance with IFRS requires the use of certain critical accounting estimates and judgements. It also requires management to exercise judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Consolidated Financial Statements are disclosed in note 3.

All assets and liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IAS 1. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, operating cycle has been ascertained as 12 months for the purpose of current – non-current classification of assets and liabilities.





Going Concern:

As at March 31, 2017 and March 31, 2016, the GCX Group's current liabilities exceed its current assets by US$ 14,246,119 and US$ 43,607,280 respectively. This is mainly on account of current portion of deferred revenue being classified as current liability which represents obligation to provide future services against up-front cash received by the GCX Group.

The Directors of GCX have prepared these Consolidated Financial Statements on a going concern basis as the GCX Group has earned significant cash profits for the years ended March 31, 2017. Further, in accordance with the overall business plan, the GCX Group has significant unutilized capacity against which it expects to generate sufficient cash in future to be able to meet its obligations as and when they fall due.

2.1 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities, if any) over which GCX Group has control. GCX Group controls an entity when GCX Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is deemed to be transferred to GCX Group. They are deconsolidated from the date that control ceases.

GCX Group consolidates Seoul Telenet Inc. and FLAG Holdings (Taiwan) Limited as it exercises control over ownership and/or composition of Board of Directors.

GCX Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by GCX Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. GCX Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in Statement of Comprehensive Income.

Any contingent consideration to be transferred by GCX Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in Statement of Comprehensive Income or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.





Business combinations between entities under common control is outside the scope of IFRS 3 (Revised) Business Combinations, and is accounted for using predecessor accounting method. The predecessor accounting method requires the financial statements to be prepared using predecessor book values without any step up to fair value. There will likely be a difference between any consideration given and the aggregate book value of the assets and liabilities (as of the date of the transaction) of the acquired entity. This difference is recorded as an adjustment to equity. This may be recorded in retained earnings or as a separate reserve. No additional goodwill is created by the transaction.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the Consolidated Statement of Comprehensive Income.

If an entity acquires an asset or a group of assets, including any liabilities assumed, that does not constitute a business, then the transaction is outside the scope of IFRS 3 because it cannot meet the definition of a business combination. Such transactions are accounted for as asset acquisitions in which the cost of acquisition is allocated between the individual identifiable assets and liabilities in the group based on their relative fair values at the acquisition date.

Inter-company transactions, balances and unrealised gains on transactions between GCX Group are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by GCX Group.

(b) Transactions with non-controlling interests

GCX Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of GCX Group. For purchases from non-controlling interests, the difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. The share of non-controlling interest is restricted to the extent of contractual obligation of GCX Group.

(c) Disposal of subsidiaries

When GCX Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if GCX Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to statement of comprehensive income.





(d) *List of subsidiaries*

The following table sets out the Restricted and Unrestricted subsidiaries considered in the Consolidated Financial Statements as part of GCX Group

	Name of entity	Country of incorporation**	Percentage of Ownership Interest as at March 31, 2017	Percentage of Ownership Interest as at March 31, 2016
1.	Reliance Globalcom Limited(including representative office in Thailand, Dubai, Spain and Bahrain)*** (RGL)	Bermuda	99.996%	99.996%
2.	FLAG Telecom Development Limited	Bermuda	99.996%	99.996%
3.	FLAG Telecom Development Services Company LLC	Egypt	99.996%	99.996%
4.	Reliance FLAG Atlantic France SAS	France	99.996%	99.996%
5.	FLAG Telecom Deutschland GmbH	Germany	99.996%	99.996%
6.	FLAG Telecom Hellas AE	Greece	99.996%	99.996%
7.	FLAG Telecom Asia Limited (including Representative offices in China)	Hong Kong	99.996%	99.996%
8.	FLAG Telecom Network Services DAC	Ireland	99.996%	99.996%
9.	Reliance FLAG Telecom Ireland DAC (including liaison office in Turkey)	Ireland	99.996%	99.996%
10.	FLAG Telecom Ireland Network DAC	Ireland	99.996%	99.996%
11.	FLAG Telecom Japan Limited	Japan	99.996%	99.996%
12.	FLAG Telecom Netherland BV	Netherlands	99.996%	99.996%
13.	FLAG Telecom Singapore Pte. Limited	Singapore	99.996%	99.996%
14.	FLAG Telecom Espana Network SAU	Spain	99.996%	99.996%
15.	FLAG Telecom Taiwan Limited	Taiwan	59.998%	59.998%
16.	Reliance Globalcom (U.K.) Limited	United Kingdom	99.996%	99.996%
17.	FLAG Atlantic UK Limited	United Kingdom	99.996%	99.996%
18.	FLAG Telecom Network USA Limited	USA	99.996%	99.996%
19.	Seoul Telenet Inc.*** (Refer Note 2.1(a))	Korea	48.998%	48.998%
20.	FLAG Holdings (Taiwan) Limited*** (Refer Note 2.1(a))	Taiwan	49.998%	49.998%
21.	Reliance Globalcom Limited	India	100%	100%
22.	FLAG Telecom Group Services Limited	Bermuda	100%	100%
23.	Reliance Vanco Group Limited ("Vanco")	England	100%	100%
24.	Vanco UK Limited	England	100%	100%
25.	Vanco Global Limited	England	100%	100%





	Name of entity	Country of incorporation**	Percentage of Ownership Interest as at March 31, 2017	Percentage of Ownership Interest as at March 31, 2016
26.	Vanco ROW Limited	England	100%	100%
27.	Vanco International Limited	England	100%	100%
28.	Vanco Switzerland A.G.	Switzerland	100%	100%
29.	VNO Direct Limited	England	100%	100%
30.	Vanco US LLC	USA	100%	100%
31.	Vanco Solutions Inc	USA	100%	100%
32.	Vanco BV	Netherlands	100%	100%
33.	Vanco Gmbh	Germany	100%	100%
34.	Vanco Deutschland Gmbh	Germany	100%	100%
35.	Vanco SAS	France	100%	100%
36.	Vanco NV	Belgium	100%	100%
37.	Vanco Srl	Italy	100%	100%
38.	Euronet Spain SA	Spain	100%	100%
39.	Vanco Euronet Sp Zoo	Poland	100%	100%
40.	Vanco Sweden AB	Sweden	100%	100%
41.	Vanco South America Ltda	Brazil	100%	100%
42.	Vanco Australasia Pty Limited	Australia	100%	100%
43.	Vanco Asia Pacific PTE Limited	Singapore	100%	100%
44.	Vanco (Shanghai) Co. Limited	China	100%	100%
45.	Vanco Japan KK	Japan	100%	100%
46.	Net Direct SA (Proprietary) Limited (under liquidation)	South Africa	100%	100%
47.	Yipes Holdings Inc ("Yipes")*	USA	100%	100%
48.	Reliance Globalcom Services Inc*	USA	100%	100%
49.	YTV Inc. *	USA	100%	100%





Onyx NewCo LLC became subsidiary on November 15, 2016 and disposed off on November 16, 2016.

The shares of Vanco Benelux BV were transferred to Reliance Globalcom BV (the intermediate holding company of the Company) with effect from March 31, 2017.

. As on March 31, 2017, Flag Telecom Group Services Limited has merged with GCX Services Limited. Subsequently, GCX Services Limited (the surviving company of the merger) changed its name to FLAG Telecom Group Services Limited.

* Is designated as Unrestricted Subsidiary in compliance with Section 4.20(a) of the Indenture for 7.00% Senior Secured Notes, due 2019. Except for these all other subsidiaries are Restricted Subsidiaries.

** It is impracticable to determine the principal place of business of the subsidiaries referred above. (Refer note 25)

*** Non-controlling interests are not considered to be material for the purposes of these Consolidated Financial Statements and accordingly, the disclosures relating to non-controlling interests have not been given.

2.2 Foreign currency

(a) Functional and presentation currency

Items included in the financial statements of each of GCX Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in 'US$', which is the presentation currency of GCX Group. The functional currency of subsidiaries within GCX Group include US$, EURO, GBP and other currencies.

(b) Transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation, at the exchange rates prevailing at reporting date, of monetary assets and liabilities denominated in foreign currencies, are recognised in the Consolidated Statement of Comprehensive Income and presented within Gain/ (Loss) on Foreign Currency fluctuation (net).

(c) Group companies

The results and financial position of all GCX Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. assets and liabilities for each Consolidated Statement of Financial Position presented are translated at the closing rate at the date of that Consolidated Statement of Financial Position;

ii. income and expenses for each Consolidated Statement of Comprehensive Income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

iii. all resulting exchange differences are recognised in Other Comprehensive Income.





Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in Other Comprehensive Income.

(d) *Net investment in subsidiaries*

The net investment in subsidiaries that have a currency other than the US$ includes the participation in the net assets of these subsidiaries, and, if applicable, loans to these subsidiaries, settlement of which is neither planned nor expected to occur in the foreseeable future. Translation differences that occur upon consolidation, relating to the translation of the net investment in subsidiaries that have a currency other than the US$, are recognized in other comprehensive income and presented in the foreign currency translation reserve, a separate component within equity.

2.3 Property, plant and equipment

Recognition and measurement

Property, plant and equipment consists of network assets, leasehold improvements, computers and office equipment, vehicles, furniture and fittings.

Property, plant and equipment are stated at cost, net of accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets and includes the projected cost of dismantlement, removal or restoration (note 2.4) if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purposes other than to produce inventories.

Subsequent expenditure

Subsequent costs are included in the asset's 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 GCX Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Consolidated Statement of Comprehensive Income during the financial period in which they are incurred.

Depreciation

Depreciation on all assets is calculated so as to write-down the cost of property, plant and equipment to its residual value over its estimated useful life. Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the property, plant and equipment as follows:

Network assets	the shorter of 15 to 25 years or remaining useful lives
Dark fibre	15 to 25 years
Leasehold improvements	the shorter of actual useful life or lease term
Computers and office equipment	3 to 6 years
Vehicles	5 years
Furniture and fittings	3 to 7 years

GCX LIMITED

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Network assets include fibre-optic subsea cable networks and terrestrial metro ethernet network. The cost of network assets include cost incurred towards construction of cable systems, subsequent cost incurred for upgradation of network systems and cost of its dismantlement, removal or restoration (note 2.4), the obligation for which an entity incurs as a consequence of installing the item.

The estimated useful lives of cable systems which are part of network assets are determined based on the estimated period over which they will generate revenue. Depreciation on any capitalisation due to modifications, improvements of the assets is restricted to the remaining useful life of the fixed asset.

Capital work in Progress

Costs incurred prior to the capital project's completion are reflected as capital-work-in-progress, which is transferred to property, plant and equipment at the date the project is complete. Capital-work-in-progress is stated at cost.

2.4 Asset retirement obligation

The cost of property, plant and equipment also includes, where applicable, costs of its dismantlement, removal or restoration, the obligation for which an entity incurs as a consequence of installing the item. This liability is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration of time value. A corresponding liability is created for the amount recognised by discounting the obligation to the date of the Consolidated Statement of Financial Position with a credit adjusted interest rate. Subsequent changes in the asset retirement obligation due to change in the estimated timing, amount of the outflow of resources embodying economic benefits required to settle the obligation or change in the discount rate are adjusted in the cost of the related asset prospectively, surplus if any is credited to the Statement of Comprehensive Income and changes due to periodic unwinding of the discount are recognised in the Statement of Comprehensive Income as a finance cost as it occurs. This finance cost is not capitalised as a part of borrowing cost.

The asset retirement obligation is amortised over the useful life of the asset for which the obligation has been created.

2.5 Intangible Assets

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of consideration transferred over GCX Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating unit (CGU) that is expected to benefit from the synergies of the combination. The CGU to which goodwill is allocated represents the lowest level within the entity at which goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment loss is recognised immediately as an expense and is not subsequently reversed.





Indefeasible Right of Use (IRU)

IRU are amortised over their estimated useful lives of 5 to 25 years on straight line basis. The estimated useful life of IRUs is based on the contractual terms of the respective contracts. IRU includes access charges.

Software and Licences

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives of 3 to 5 years.

Costs that are directly associated with the production of identifiable and unique software products controlled by GCX Group and that will probably generate economic benefits exceeding costs beyond 1 year, are recognized as intangible assets. Direct costs include the costs of software development employees and an appropriate portion of relevant overheads.

Computer software development costs recognized as intangible assets and are amortised over their estimated useful lives, not exceeding 5 years.

Other Intangible Assets

Other intangible assets comprise of customer relationships, intellectual property, trade names and trademarks, and building access rights, which are acquired in a business combination and are recognised at fair value at the acquisition date. They have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the estimated useful lives of the assets which are as follows:

Customer relationships.....3 - 7 years

Intellectual property.....7 years

Trade names and trademarks.....5 years

Building access rights.....5 years

2.6 Impairment of non-financial assets

Intangible assets with definite life and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying values may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. For this purpose, the fair value less cost to sell and value-in-use are determined in functional currency of the respective CGU.

If such assets are considered to be impaired, the impairment to be recognised in Consolidated Statement of Comprehensive Income is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.





Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.7 Non-derivative financial instruments

(a) Classification

Financial assets

GCX Group classifies its financial assets in the following categories as: loans and receivables and available for sale. The classification depends on the purpose and intention for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period which are classified as non-current assets. GCX Group's loans and receivables comprise 'trade and other receivables', Cash and cash equivalents in the Consolidated Statement of Financial Position.

(ii) Available for sale

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified either as fair value through Consolidated Statement of Comprehensive Income or as loans and receivables. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Financial liabilities

GCX Group classifies its non-derivative financial liabilities to the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Offsetting of financial instruments

Financial assets and liabilities are offset against each other and the resultant net amount is presented in the Consolidated Statement of Financial Position when, and only when, GCX Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the assets and settle the liability simultaneously.

(b) Recognition, measurement and derecognition

Financial assets and liabilities are recognised in the Consolidated Statement of Financial Position at the date when GCX Group becomes a party to the contractual provisions of the financial instruments. Regular way purchases and sales, if any, of financial assets are recognised on the trade-date, the date on which GCX Group commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have





expired or have been transferred and GCX Group has transferred substantially all risks and rewards of ownership. Available for sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost, using the effective interest method.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the Consolidated Statement of Comprehensive Income as 'gains and losses from investment securities'. Dividends on available-for-sale financial assets are recognised in the Consolidated Statement of Comprehensive Income as part of finance income when GCX Group's right to receive payments is established.

2.8 Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value. They are subsequently measured at amortised cost (net of allowance for impairment) using the effective interest method, if the effect of discounting is considered material.

2.9 Cash and cash equivalents

In the Consolidated statements of cash flows, cash and cash equivalents includes cash in hand, bank balances and deposits, other short-term highly liquid investments with original maturities of three months or less and that are readily convertible to known amount of cash and cash equivalent and bank overdrafts (used for cash management purposes). In the Consolidated Statement of Financial Position, bank overdrafts, if any, are shown as part of borrowings under current liabilities.

Cash and claims to cash that are restricted as to withdrawal or use in the ordinary course of business are disclosed separately as restricted cash, unless they are meant to be utilised for other than current operations, in which case they will be separately presented as restricted deposits under non-current assets.

2.10 Impairment of financial assets

GCX Group assesses at each Consolidated Statement of Financial Position date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

(a) *Assets carried at amortised cost*

For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate

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(i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

Evidence of impairment may include indications that the debtors or group of debtors experiencing significant financial difficulty, default or delinquencies in interest or principal payments, the probability that they will enter bankruptcy or any financial reorganisation, whether the observable data indicate that there is a measurable decrease in the estimated future cash flows, such as change in arrears or economic conditions that collateral with defaults.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

***(b)** Assets classified as available for sale*

Significant or prolonged decline in the fair value of the security below its cost and the disappearance of an active trading market for the security are objective evidence that the security is impaired. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value and is recognised in the Consolidated Statement of Comprehensive Income. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in Consolidated Statement of Comprehensive Income – is removed from equity and recognised in Consolidated Statement of Comprehensive Income. If, in a subsequent period, the fair value of an instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in Consolidated Statement of Comprehensive Income, the impairment loss is reversed through the Consolidated Statement of Comprehensive Income.

2.11 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in net profit in the Consolidated Statement of Comprehensive Income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless GCX Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of position date. If not, they are presented under non-current borrowings.

2.12 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified under current liabilities if payment is due within one year or less. If not, they are presented under non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using effective interest rate method

2.13 Provisions and Contingent liabilities

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.14 Current tax and deferred tax

The tax expense comprises of current tax and deferred tax. Income tax is recognised in net profit in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In that case, the income tax is also recognised in other comprehensive income or directly in equity, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Consolidated Statement of Financial Position date in the respective countries where GCX Group operates and generates taxable income.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the Consolidated Financial Statements. However, Deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Consolidated Statement of Financial Position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax liability is provided on temporary differences arising on investment in subsidiaries, except for deferred tax liability where the timing of the reversal of the temporary difference is controlled by GCX Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.





Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the Deferred tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

The effect on Deferred tax assets and liabilities of a change in tax rates is recognised in the Consolidated Statement of Comprehensive Income in the year of change.

2.15 Revenue recognition

GCX Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of GCX Group's activities as described below. Revenue is measured at the fair value of the consideration receivable and represents amount receivable for services rendered, net of taxes, expected price reductions and rebates. GCX Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

In revenue arrangements including more than one deliverable, the arrangements are divided into separate units of accounting. Deliverables are considered separate units of accounting if the following two conditions are met: (1) the deliverable has value to the customer on a stand-alone basis and (2) there is evidence of the fair value of the item. The arrangement consideration is allocated to each separate unit of accounting based on its relative fair value.

Bandwidth capacity

GCX Group sells Bandwidth capacity that provides customers with network capacity, typically over a 10 to 15 year period without transferring the legal title or giving an option to purchase the network assets. Capacity service revenues are recognised in GCX Group's Consolidated Statement of Comprehensive Income on a straight line basis over the life of the contract.

Operations and Maintenance services

GCX Group provides operation and maintenance services over the life of the capacity contract, for which GCX Group receives operation and maintenance charges. Operation and maintenance charges are invoiced separately from capacity sales. Revenues relating to maintenance are recognised over the period in which the service is provided.

International Private Leased Circuits and others

International Private Leased Circuits include lease capacity services and restoration service for other network operators. The customer typically pays the charges for these services periodically over the life of the contract, which may be up to three years. Revenue is recognised in GCX Group's Consolidated Statement of Comprehensive Income over the term of the contract.





Internet Protocol

GCX Group recognises internet protocol (including Ethernet) revenue over the term of the contract. Fees related to activation of services are deferred and recognised over the expected term of the related service agreement.

Managed Network Services

A network contract typically covers the design, supply and installation of the network and provision of packaged network solutions. Revenue relating to the initial part of the contract is determined by the value of the component elements represented by the equipment installed and time expended on this element of the contract and is recognised over the contract implementation period. The remainder of the contract value covering provisions of packaged network solutions is recognised evenly over the period of contract.

Interest income

Interest income is recognised using the effective interest method.

Dividend income

Dividend income is recognised when GCX Group's right to receive dividend is established.

2.16 Deferred revenue

Deferred revenue represents income billed in accordance with the contract but not recognised in Consolidated Statement of Comprehensive Income as at Consolidated Statements of Financial Position. Deferred revenue net of the amount recognisable within one year is disclosed as deferred revenue in non-current liabilities and the amount recognisable within one year is disclosed as deferred revenue in current liabilities.

2.17 Accrued income

Where the services are performed prior to billing, an accrued income is recognised in trade and other receivables.

2.18 Employee benefits

Eligible employees of GCX Group are covered by defined contribution pension plan. Contribution to the plan is generally based on each employee's eligible compensation and years of service and is based on the local regulations. The schemes are funded through payments to insurance companies Government agency as defined contribution plans. In some defined contribution retirement plan, eligible employees may contribute amounts to the plan, via payroll withholding, subject to certain limitations.

Contributions are made to employees personal pension schemes and the costs are charged to the Consolidated Statement of Comprehensive Income when incurred.

There are no other material employee benefit plans and schemes in GCX Group.





2.19 Share based payment

GCX operates a share-based compensation plan (initially through a Trust - special purpose entity), under which the entity receives services from employees and the entity settles the transaction by issuing units of the Trust wherein each unit is equivalent to an equity share of RGL. Subsequently, the employee has an option to sell the shares to the Trust at fair value during the course of their employment with GCX.

GCX Group has accounted for the share based payment transaction as compound with a cash settled option and an equity settled option with successful IPO as non-market vesting condition.

With respect to the cash settled plan, the fair value of the services received is measured by reference to the fair value of shares at date of the grant and then subsequently at each reporting date. The expense is recognised over the period that the services are received, which is the vesting period. Initially, the expense is charged to the Consolidated Statement of Comprehensive Income with creating a corresponding liability for the same. The liability is reassessed at each Consolidated Statement of Financial Position date with the movement being recorded as a charge/ (credit) in the profit or loss.

With respect to the equity settled plan, GCX Group receives the services from employees as consideration for equity instruments (options) of RGL. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense in the Statement of Comprehensive Income over the vesting period considering a graded vesting schedule. The total amount of expense is determined by reference to the fair value of the options granted. It is recognised as an employee benefit expense in the Statement of Comprehensive Income with a corresponding credit to equity. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each reporting period, GCX Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognised the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

2.20 Leases

As a lessee:

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Consolidated Statement of Comprehensive Income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged in the Consolidated Statement of Comprehensive Income on a straight line basis over the period of the lease unless the payments are structured to increase in line

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with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor:

For Spectrum Sales and Dark Fiber sale, the determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Group recognises the selling Consolidated Statement of Comprehensive Income for the period in accordance with the entity's normal accounting policy for outright sales in accordance with IAS 18.

2.21 Borrowing cost

Borrowing costs are recognised in the Statement of Comprehensive Income using the effective interest method except for those costs on borrowings that are directly attributable to the acquisition or construction of assets which take a substantial period of time to get ready for their intended use, In such a case, borrowing costs are capitalised and recorded in the costs of the assets. Capitalisation of borrowing costs commence when the capital expenditure and borrowing costs are incurred. The capitalisation of the borrowing costs is ceased when the asset under acquisition or construction is ready for the intended use. If the acquisition or construction of an asset is interrupted abnormally for more than 3 months, the capitalisation of the borrowing costs is suspended till such activities resume.

For specific borrowings obtained for the acquisition or construction of an asset eligible for capitalisation, the capitalised amount of interests is determined based on the interest expense incurred after deducting any interest income earned from the deposits or investment income from the temporary investment funded by the unused borrowing balance.

For general borrowings used for acquisition or construction of an asset eligible for capitalisation, the capitalised interest is determined by multiplying the weighted average excess of accumulated capital expenditure over specific borrowings by the capitalisation rate of such general borrowings. The capitalisation rate is determined according to the weighted average interest rate of the general borrowings.

2.22 Dividends

Dividend to ordinary shareholders is recognised as a liability in the period in which the dividends are approved by the ordinary shareholders. Interim dividends that are declared by the Board of Directors without the need for ordinary shareholders' approval are recognised as a liability and deducted from shareholders' equity in the year in which the dividends are declared by the Board of Directors

2.23 Segment reporting

Operating segment are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The board of directors of GCX Limited have formed a strategic steering committee which assesses the financial performance and position of the GCX group, and makes strategic decisions. The steering committee is headed by Group CEO who is performing the function of CODM. Refer note 25 for

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segment information presented.

2.24 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.25 Discontinued operations

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.

3) Critical accounting estimates and judgements

Estimates and judgements are continuously evaluated by GCX Group and are based on historical experience and various other assumptions and factors (including expectations of future events); that GCX Group believes to be reasonable under the existing circumstances.

Significant estimates relied upon in preparing these Consolidated Financial Statements include fair valuation of financial instruments on initial recognition, useful lives and residual value of property, plant and equipment and intangible assets, revenue recognition, allowances for impairment of trade receivables, identification and measurement of unrecognised income tax benefit, expected future cash flows used to evaluate the recoverability of property, plant and equipment, goodwill and intangible assets, contingent liabilities, employee share based compensation expense and asset retirement obligations.

Although GCX Group regularly assesses these estimates at each Consolidated Statement of Financial Position date, actual results could differ materially from these estimates. Changes in estimates are recorded in the year in which they become known.





Notes to Consolidated Financial Statements

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets, liabilities, income and expenses within the next financial year are discussed below:

Critical accounting estimates

i. Useful life and residual value of property, plant and equipment and intangible assets

The useful lives of assets are based on management's judgement of the expected life of those assets. Management considers the impact of changes in technology, customer service requirements, availability of capital funding and required return on assets and equity to determine optimum useful life expectation for each of the individual items of property, plant and equipment and Intangible assets. Due to the rapid technological advancement in the telecommunications industry, the estimation of useful lives could differ significantly on an annual basis.

The estimation of residual values of assets is also based on management's judgement that the assets will be sold and what their condition will be at the time.

We expect that five-year increase or decrease in the estimated useful lives of network assets (which accounts for more than 98% of total plant, property and equipment) would result in a decrease or increase to depreciation expense, respectively in the range of US$ 18 to 19 million approximately.

The carrying values of property, plant and equipment and intangible assets are disclosed in notes 4 and 6, respectively.

ii. Asset retirement obligation

The provision for future obligations for decommissioning of network assets is based on management's assessment of the obligation (legal or constructive) associated with the decommissioning of the assets and long-term cash flow forecasts of estimated future costs. Significant judgement is involved in assessing whether the Group has an obligation given there are network assets in various jurisdictions and international waters.

The main assumptions applied in estimating the provisions are technical plans, timing, cost estimates and discount rate. Any changes in the assumed discounting rate or expected composition/cash flow would affect the provision. If the discount rate used would be lowered, the provision would increase (Refer note no 14).

iii. Provision for Credit Note

GCX Group make credit note provision for revision in pricing and contract terms agreed between company and customer. Credit Note provision is recorded when the management estimates to reverse the revenue recorded or deferred revenue (as the case may be) due to above mentioned reason and anticipates to issue credit notes against the receivable balance, thereby reducing the trade receivables balances outstanding in the books of accounts. Management estimates the provision based on past experience, past trend and negotiation with customers. The analysis of credit note provision is performed periodically and credit note provision is adjusted accordingly.

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iv. Allowance for impairment of trade receivables

GCX Group makes provision for estimated losses that result from the failure of debtors to make required payments which is overdue for more than normal credit period. GCX Group has taken in consideration the probability of recoverability based on past experience, current collection trends and general economic factors for determining the amount of allowance. Credit risks are assessed based on historical write-offs, net of recoveries, and an analysis of the aged accounts receivable balances with reserves, generally increasing as the receivable ages. Accounts receivable may be fully reserved for when specific collection issues are known to exist. The analysis of receivable is performed periodically and the allowance of doubtful accounts are adjusted accordingly (Refer note 2.8, 2.10,7 and 23(b)).

v. Goodwill impairment

For goodwill impairment testing, if events or changes in circumstances indicate a potential impairment, as part of the review process, the carrying amount of the CGUs (including allocated goodwill) is compared with its recoverable amount by GCX Group. The recoverable amount is the higher of fair value less costs to sell and value in use, both of which are calculated by the GCX Group using a discounted cash flow analysis.

Calculating the future net cash flows expected to be generated to determine if impairment exists and to calculate the impairment involves significant assumptions, estimation and judgement. The estimation and judgement involves, but is not limited to, industry trends including pricing, estimating long-term revenues, revenue growth, operating expenses and capital expenditures.

The Directors of GCX Group do not consider there to be any reasonably possible changes in key assumptions that would lead to an impairment loss.

vi. Impairment of customer relationships

GCX Group considers its impairment accounting policy to be a policy that requires one of the most extensive applications of judgements and estimates by management. Intangible assets with define useful lives are subject to amortisation are reviewed to determine whether there is any indication that the carrying value of these assets may not be recoverable and have suffered an impairment loss. If any such indication exists, the recoverable amounts of the intangible assets are estimated in order to determine the extent of the impairment loss, if any. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Such impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

Management judgement is required in the area of intangible asset impairment, particularly in assessing: (1) whether an event has occurred that may indicate that the related asset values may not be recoverable; (2) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs to sell or net present value of future cash flows which are estimated based upon the continued use of the asset in GCX Group.





Judgement in applying accounting policies

vii. Income tax

a) Current tax

GCX Group is subject to income tax in a number of jurisdictions. Significant judgement is required in determining provision for income tax including the judgement on whether tax positions are probable of being sustained in income tax assessments. There are many transactions and calculations for which the ultimate income tax determination is uncertain during the ordinary course of business. GCX Group recognises liabilities for anticipated income tax issues based on estimates of whether additional taxes will be due. Where the final income tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. (Refer note 2.14 and 22)

Management evaluates positions taken in income tax returns with respect to situations in which applicable income tax regulation is subject to interpretation. The current tax liabilities are recognised when it is more likely than not, that certain tax positions may not be fully sustained upon review by income tax authorities. GCX Group's management believes that the final tax outcome of these positions can differ from those initially recognised when reviews or audits by tax authorities of tax returns are completed. Benefits from tax positions are measured at the single best estimate of the most likely outcome. At each Consolidated Statement of Financial Position date, the tax positions are reviewed, and to the extent that new information becomes available which causes GCX Group to change its judgement regarding the adequacy of existing current tax liabilities, such changes to current tax liabilities are duly recognised in income tax expense in the year in which such determination is made. Interest and penalties, if any, related to accrued liabilities for potential tax assessments are included in income tax expense. (Refer note 2.14 and 21).

b) Deferred tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying values, at the rates that have been enacted or substantively enacted. The ultimate realisation of Deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and income tax loss carry-forward become deductible. GCX Group considers the expected /scheduled reversals of Deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. The amount of the Deferred tax assets considered realisable, however, could be reduced/ increased in the near term if the said estimates undergo a change. (Refer note 2.14 and 21).





4) Property, plant and equipment

Particulars	Leasehold improvements	Network Assets	Others*	On Lease *** Vehicles	On Lease *** Dark Fiber	Total
Gross carrying value						
As at April 1, 2016	**9,126,700**	**1,701,544,451**	**21,118,332**	**205,801**	**37,806,933**	**1,769,802,217**
Additions	-	18,447,955	560,838	-	-	19,008,793
Transfer from CWIP	112,788	15,770,887	-	-	-	15,883,675
Adjustment/ Discarded**	(1,306,823)	(77,101,659)	(6,834,482)	(205,801)	(2,309,043)	(87,757,808)
Exchange differences	(409,980)	(95,860)	(1,420,634)	-	-	(1,926,474)
As at March 31, 2017	**7,522,685**	**1,658,565,774**	**13,424,054**	**-**	**35,497,890**	**1,715,010,403**
Accumulated depreciation						
As at April 1, 2016	**8,849,774**	**734,197,835**	**20,298,817**	**178,267**	**18,740,715**	**782,265,408**
Depreciation for the year	106,093	64,044,125	490,528	11,732	2,204,958	66,857,436
Adjustment/ Discarded**	(1,306,823)	(57,597,659)	(6,806,939)	(189,999)	(1,218,647)	(67,120,067)
Exchange differences	(407,586)	(94,106)	(1,358,950)	-	-	(1,860,642)
As at March 31, 2017	**7,241,458**	**740,550,194**	**12,623,456**	**-**	**19,727,026**	**780,142,134**
Closing net carrying value as at March 31, 2017	**281,227**	**918,015,580**	**800,598**	**-**	**15,770,864**	**934,868,269**
Gross carrying value as at March 31, 2017	7,522,685	1,658,565,774	13,424,054	-	35,497,890	1,715,010,403
Accumulated depreciation	7,241,458	740,550,194	12,623,456	-	19,727,026	780,142,134
Closing net carrying value as at March 31, 2017	**281,227**	**918,015,580**	**800,598**	**-**	**15,770,864**	**934,868,269**

*Others include: Furniture and fittings, Computers and office equipment and Vehicles.

** Adjustments are mainly related to RGSI Ethernet Business. (Refer note 28C)

*** On Lease assets are related to Yipes business.

The assets of the Company's principal subsidiaries are pledged as collateral for the 7% "Senior Secured Notes" issued by GCX Limited in 2014 and Revolving credit facility.

The rights to the leased assets are effectively collateral against Lease liabilities and revert to the lessor in the event of default.





Particulars	Leasehold improvements	Network Assets	Others*	On Lease: Vehicles	On Lease: Dark Fiber	Total
Gross carrying value						
As at April 1, 2015	**9,536,635**	**1,686,710,344**	**20,800,752**	**178,530**	**42,802,036**	**1,760,028,297**
Additions	15,812	15,597,646	92,201	27,271	-	15,732,930
Transfer from CWIP	-	1,969,108	103,468	-	-	2,072,576
Disposals	-	(2,657,518)	-	-	(4,995,103)	(7,652,621)
Exchange differences	(425,747)	(75,129)	121,911	-	-	(378,965)
As at March 31, 2016	**9,126,700**	**1,701,544,451**	**21,118,332**	**205,801**	**37,806,933**	**1,769,802,217**
Accumulated depreciation						
As at April 1, 2015	**9,051,691**	**668,585,047**	**19,660,755**	**161,998**	**18,274,188**	**715,733,679**
Depreciation for the year	231,247	67,879,051	533,941	16,269	2,353,562	71,014,070
Disposals	-	(2,220,091)	-	-	(1,887,035)	(4,107,126)
Exchange differences	(433,164)	(46,172)	104,121	-	-	(375,215)
As at March 31, 2016	**8,849,774**	**734,197,835**	**20,298,817**	**178,267**	**18,740,715**	**782,265,408**
Closing net carrying value as at March 31, 2016	**276,926**	**967,346,616**	**819,515**	**27,534**	**19,066,218**	**987,536,809**
Gross carrying value as at March 31, 2016	9,126,700	1,701,544,451	21,118,332	205,801	37,806,933	1,769,802,217
Accumulated depreciation	8,849,774	734,197,835	20,298,817	178,267	18,740,715	782,265,408
Closing net carrying value as at March 31, 2016	**276,926**	**967,346,616**	**819,515**	**27,534**	**19,066,218**	**987,536,809**

*Others include: Furniture and fittings, Computers and office equipment and Vehicles.

The assets of the Company's principal subsidiaries are pledged as collateral for the 7% "Senior Secured Notes" issued by GCX Limited in 2014 and Revolving credit facility.

The rights to the leased assets are effectively collateral against Lease liabilities and revert to the lessor in the event of default.

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5) Capital Work in Progress

Particulars	2017	2016
As at April 1	**18,818,731**	**7,513,951**
Additions during the year	122,614	16,535,838
Capitalised during the year:		
- Property, plant and equipment (Refer note 4)	(15,883,675)	(2,072,576)
- Intangible Assets (Refer note 6)	(316,300)	(3,158,482)
Adjustment during the year**	(2,559,999)	-
As at March 31	**181,371**	**18,818,731**

Capital work in progress comprises mainly cost incurred for network assets and capital advances for network assets and IRUs.

** Adjustment is related to disposal of RGSI Ethernet Business. (Refer note.28C)

6) Intangible assets

Particulars	Customer relationships	Indefeasible Right of Connectivity	Goodwill		Intellectual property*	Others**	Total
			Vanco	Yipes			
Gross carrying value							
As at April 1, 2016	**123,142,433**	**273,791,115**	**90,554,138**	**169,600,977**	**32,000,000**	**13,437,329**	**702,525,992**
Additions	-	9,268,765	-	-	-	187,562	9,456,327
Transfer from CWIP	-	-	-	-	-	316,300	316,300
Adjustment/ Discarded***	(123,142,433)	-	-	(169,600,977)	(32,000,000)	(10,000,000)	(334,743,410)
Exchange differences	-	-	(11,855,868)	-	-	(271,181)	(12,127,049)
As at March 31, 2017	**-**	**283,059,880**	**78,698,270**	**-**	**-**	**3,670,010**	**365,428,160**
Accumulated amortization and impairment							
As at April 1, 2016	**123,142,433**	**161,018,469**	**-**	**-**	**32,000,000**	**12,075,707**	**328,236,609**
Amortization for the year	-	15,595,859	-	-	-	307,417	15,903,276
Adjustment/ Discarded***	(123,142,433)	-	-	-	(32,000,000)	(10,000,000)	(165,142,433)
Impairment****	-	-	69,460,848	-	-	-	69,460,848
Exchange differences	-	-	-	-	-	(266,543)	(266,543)
As at March 31, 2017	**-**	**176,614,328**	**69,460,848**	**-**	**-**	**2,116,581**	**248,191,757**
Closing net carrying value as at March 31, 2017	**-**	**106,445,552**	**9,237,422**	**-**	**-**	**1,553,429**	**117,236,403**
Gross carrying value as at March 31, 2017	-	283,059,880	78,698,270	-	-	3,670,010	365,428,160
Accumulated depreciation	-	176,614,328	69,460,848	-	-	2,116,581	248,191,757
Closing net carrying value as at March 31, 2017	**-**	**106,445,552**	**9,237,422**	**-**	**-**	**1,553,429**	**117,236,403**

* Intellectual property pertains to technology and related know-how in relation to Yipes processes and patents.

** Others includes: Building access rights, Trade names and trademarks and Software and licences.

*** Adjustments/discarded are mainly related to RGSI Ethernet Business.

**** Impairment is related to Vanco Business.

Particulars	Customer relationships	Indefeasible Right of Connectivity	Goodwill		Intellectual property*	Others**	Total
			Vanco	Yipes			
Gross carrying value							
As at April 1, 2015	**123,093,817**	**271,954,797**	**95,776,104**	**169,600,977**	**32,000,000**	**12,122,345**	**704,548,040**
Transfer from CWIP	-	1,772,501	-	-	-	1,385,981	3,158,482
Exchange differences	48,616	63,817	(5,221,966)	-	-	(70,997)	(5,180,530)
As at March 31, 2016	**123,142,433**	**273,791,115**	**90,554,138**	**169,600,977**	**32,000,000**	**13,437,329**	**702,525,992**
Accumulated Amortisation							
As at April 1, 2015	**121,605,581**	**142,967,848**	-	-	**32,000,000**	**12,122,345**	**308,695,774**
Amortisation for the year	1,524,421	17,986,804	-	-	-	24,363	19,535,588
Exchange differences	12,431	63,817	-	-	-	(71,001)	5,247
As at March 31, 2016	**123,142,433**	**161,018,469**	-	-	**32,000,000**	**12,075,707**	**328,236,609**
Closing net carrying value as at March 31, 2016	-	**112,772,646**	**90,554,138**	**169,600,977**	-	**1,361,622**	**374,289,383**
Gross carrying value as at March 31, 2016	123,142,433	273,791,115	90,554,138	169,600,977	32,000,000	13,437,329	702,525,992
Accumulated depreciation	123,142,433	161,018,469	-	-	32,000,000	12,075,707	328,236,609
Closing net carrying value as at March 31, 2016	-	**112,772,646**	**90,554,138**	**169,600,977**	-	**1,361,622**	**374,289,383**

* Intellectual property pertains to technology and related know-how in relation to Yipes processes and patents.

** Others includes: Building access rights, Trade names and trademarks and Software and licences.

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Notes to Consolidated Financial Statements

Due to disposal of RGSI Ethernet business goodwill (Yipes) and other Intangible assets related to business (Customer relationship, Trademarks, Building Access Rights, Technology know-how) have been derecognised.

Following annual impairment review, the carrying value of goodwill of Vanco business was reduced to $9,237,422 and impairment loss has been recognised in respect of goodwill in the Consolidated Statement of Comprehensive Income.

Carrying amount of goodwill allocated to CGUs is as follows:

Cash generating unit	As at March 31,2017	As at March 31, 2016
Vanco	9,237,422	90,554,138
Yipes	-	169,600,977
	9,237,422	**260,155,115**

The key assumptions used in valuation are:

- Discount rate:

  Discount rate reflects the current market assessment of the risks specific to the CGU. The discount rate is estimated based on the weighted average cost of capital for respective CGU.

- Long-term growth rate:

  Long-term growth rates used are in line with the long term average growth rates of the respective industry and country in which the CGU operates and are consistent with the forecasts included in the industry reports.

The table below shows the key assumptions used in the valuation:

	March 31, 2017	March 31, 2016	
	Vanco	Vanco	Yipes
Period considered for cash flow projections (in years)	5	5	5
Discount rate (p.a.)	13%	13%	13.50%
Long-term growth rate (p.a.)	2.00%	2.00%	2.50%

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The Directors of GCX Group believe that a reasonable change in key assumptions would not lead to an impairment loss and accordingly sensitivity analysis has been presented as below.

Sensitivity Analysis

Impact on Goodwill	For the year ended March 31, 2017
Increase in growth rate 0.1%	839,766
Decrease in growth rate 0.1%	(587,836)

7) Trade and other receivables and other assets

Trade and other receivables

	As at March 31, 2017	As at March 31, 2016
Trade receivables	264,508,746	245,414,370
Less: Allowance for impairment	(43,268,253)	(44,845,479)
Less: Credit notes provision	(8,137,834)	(18,697,846)
Total Trade Receivables	**213,102,659**	**181,871,045**

	As at March 31, 2017	As at March 31, 2016
Deposits	2,248,060	3,649,655
Accrued income	1,712,924	2,702,140
Advance to vendors	7,814,871	13,714,475
Prepaid expenses	19,322,253	15,944,876
Restricted deposits	446,271	1,801,795
Other advances and receivables	8,567,244	5,347,656
Other receivables*	16,468,782	-
Total Other Receivables	**56,580,405**	**43,160,597**
Total Trade and other receivables	**269,683,064**	**225,031,642**
Less: Non-current portion	13,877,300	18,190,411
Current portion	**255,805,764**	**206,841,231**

* 14,000,000 is related to discontinued operation.

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Prepaid expenses represents expenses related to network operating expenses and other expenses paid in advance. These will be included in the Consolidated Statement of Comprehensive Income when the services are received.

Restricted deposits included deposits with bank, which serve as collateral for standby letters of credit held by GCX Group. These standby letters of credit are generally required by the municipalities and utilities where GCX Group operates, in order for it to conduct its operations.

Other advances and receivables include value added tax and service tax recoverable from government authorities.

Movements in the allowance for impairment of trade receivables are as follows:

	As at March 31, 2017	As at March 31, 2016
At April 1	**44,845,479**	**43,326,985**
Allowance for impairment of trade receivables	7,467,899	4,024,545
Allowance released during the year*	(9,045,125)	(2,506,051)
As at March 31	**43,268,253**	**44,845,479**

* Mainly related to discontinued operation.

The creation/ release of allowance for impaired receivables have been included in 'other expenses'/ 'other income' in the Consolidated Statement of Comprehensive Income. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. GCX Group does not hold any collateral as security.

8) Cash and cash equivalents

Particulars	As at March 31, 2017	As at March 31, 2016
Cash in hand	3,783	2,512
Balances with bank	62,945,003	83,407,628
Total Cash and cash equivalents	**62,948,786**	**83,410,140**





9) Share capital, Share premium, Retained earnings, Capital reserves and Foreign currency translation reserve

Particulars	As at March 31, 2017	As at March 31, 2016
Authorised Share Capital	250,000,000	250,000,000
Share capital	235,322,790	235,322,790
Share premium	104,163,499	104,163,499
Capital reserves	72,816,469	72,816,469
Retained earnings	(149,871,829)	86,853,782
Foreign currency translation reserve	(70,542,730)	(59,374,780)
Total	**101,888,199**	**439,781,760**

Share Capital

The Company has only Ordinary Shares having a par value of US$ 1 per share. Each holder of shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of shares held by the shareholder.

Share Premium

Share premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Bermuda Companies Act, 1981.

Capital reserves

Capital reserves include reserve generated during past restructuring and capital contribution received from parent.

Retained earnings

Retained earnings represent the amount of accumulated earnings at each Consolidated Statement of Financial Position date of GCX Group, prepared in accordance with the basis of preparation section.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations included in these Consolidated Financial Statements.

10) Borrowings

	As at March 31, 2017	As at March 31, 2016
Non-current		
Finance lease liabilities	12,183,123	15,190,182
7% Senior Secured Notes due 2019	346,232,735	343,686,504
Total	**358,415,858**	**358,876,686**
Current		
Loan from Banks (Revolving Credit Facility)	10,000,000	-
Current portion of finance lease liabilities	1,385,844	1,575,555
Interest accrued but not due on Senior Secured Notes	4,083,334	4,083,334
Interest accrued but not due on (Revolving Credit Facility)	72,245	-
	15,541,423	**5,658,889**
Total Borrowings	**373,957,281**	**364,535,575**

On August 01, 2014, GCX Limited had issued "7% Senior Secured Notes due 2019" for a total of US$ 350,000,000. These are listed on the Singapore Exchange Securities Trading Limited (SGX-ST). These Notes mature in 2019 with a coupon rate of 7%. In relation to the issue of these Notes, the shares of GCX Group's material subsidiaries, including those of RGL, FTGSL have been pledged in favour of the Senior Secured Notes Holders and the material subsidiaries also act as guarantors for the Senior Secured Notes. The assets of the Company's material subsidiaries are pledged as collateral for the "Senior Secured Notes" issued by GCX Limited in 2014.

During the current year, GCX Limited effected a drawn down of US$10,000,000 under Revolving credit facility (RCF) jointly from Standard Chartered Bank and Deutsche Bank. The RCF facility is secured in the same manner as the Senior Secured Notes. The draw down was for a 3 month period commencing form February 2, 2017. The interest on such facility is calculated at LIBOR + margin, up to a maximum of 4% depending upon the prevailing leverage ratio. This amount was repaid on May 2, 2017.

Finance lease liabilities aggregating US$13,568,967 (current and non-current) are related to RGSI. The early termination liabilities have been accrued as part of transition and settlement cost (refer note 28).

The rights to the leased assets are effectively collateral against Lease liabilities and revert to the lessor in the event of default.

All the borrowings are denominated in US$.

11) Share-based payment

In May 2008, Share options were granted to selected employees of the Reliance Globalcom Limited (RGL) to subscribe for ordinary shares in RGL, under certain share options plan (the ESOP plan). Pursuant to the terms of those plans, RGL granted units (Units) to employees through a trust. Employees were only able to receive Units equivalent to one equity share of RGL pending the listing of RGL. These Units could be redeemed for cash (at a value determined based on share price of RGL on March 31 of the immediately preceding year) or employees could hold on to the Units until such time as of an IPO of RGL; at which time the Units mandatorily convert to shares.

Accordingly, the RGL has accounted for the share based payment transaction as a compound award with a cash settled option and an equity settled option. A liability award has a 4 year vesting period and a service vesting condition on employee completing 1/2/3/4 years' services. An equity award has a vesting period up to the estimated RGL listing date and a successful RGL listing as a non-market vesting condition. The options were exercisable for a period of 5 years from the vesting date.

The Board of directors of RGL passed a resolution on May 16, 2012 terminating the RGL ESOP plan. However, in accordance with the terms of the RGL ESOP plan, such termination would not affect the Options which have already been granted.

The exercise period under the ESOP Plan expired on May 15, 2017 and no option had been exercised by that date. Accordingly (i) all options outstanding on May 15, 2017 have lapsed and stand cancelled; (ii) the ESOP plan has been completed. The fair value of ESOP at March 31,2017 is nil (March 31,2016: nil).





12) Trade and other payables

	As at March 31, 2017	As at March 31, 2016
Trade payables	27,877,210	32,330,005
Accrued expenses	131,071,339	115,712,890
Advance from Customers	-	598,761
Employee Payables	2,820,195	5,991,089
Statutory Payables	4,619,506	7,009,143
Payable towards capital expenditure	9,363,553	2,995,040
Others	532,440	15,688,726
Total	**176,284,243**	**180,325,654**
Less: Non-Current Portion	1,533,721	1,225,190
Current portion	**174,750,522**	**179,100,464**

Accrued expenses represent accruals towards network costs and other expenses.

13) Deferred revenue

	2017	2016
As at April 1	**680,001,867**	**740,686,377**
Bills raised during the year	354,341,863	410,990,642
Adjustment on account of credit notes	10,560,012	(8,911,580)
Service Revenue Continuing/ discontinued operation (Refer note 15 and 28A)*	(419,196,607)	(464,238,147)
Movement in accrued income	(989,216)	1,474,575
As at March 31	**624,717,919**	**680,001,867**
Less: Non-current portion	483,722,106	533,987,870
Current portion	**140,995,813**	**146,013,997**

* Includes US$ 16,086,977 related to discontinued operation (March 31, 2016: US$ 32,858,652).

14) Asset retirement obligation

GCX Group's asset retirement obligations relate to the cable systems installed in the relevant territorial waters. The estimation of the asset retirement obligations requires the significant use of estimates regarding the amounts and timing of expected cash flows.

The value of the asset retirement obligations was calculated by an independent professional valuer using RGL Group's credit – adjusted risk-free rate of 1.71-2.28%. The credit adjusted risk free rate has been arrived after considering risk free rate of UK government bonds with tenure of 10 to 20 years, adjusted with premium towards credit risk of the company. The UK Government bonds have been





considered based on the currency of the obligations and their expected period of settlement.

The expected timing and amount of payments is mentioned below for various cable systems taken together:

Year	Amount
2021-22	2,862,023
2025-26	17,618,024
2036-37	4,950,403

	2017	2016
As at April 1,	**20,533,959**	**20,169,793**
Charged to the statement of comprehensive income		
- Unwinding of discount	370,823	364,166
As at March 31	**20,904,782**	**20,533,959**

Analysis of Provision

	As at March 31, 2017	As at March 31, 2016
Non-current	20,904,782	20,533,959
Current	-	-
Total	**20,904,782**	**20,533,959**

15) Service Revenue

	For the year ended March 31, 2017	For the year ended March 31, 2016
Bandwidth Capacity	99,036,236	105,739,056
Operation and Maintenance Services	46,853,483	45,675,141
International Private Leased Circuits and others	62,657,032	62,327,489
Internet Protocol	67,169,560	72,632,291
Managed Network Services	127,393,318	145,005,518
Total	**403,109,629**	**431,379,495**

16) Other income

	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest on income tax refund	453,354	5,424,204
Miscellaneous income	3,018,635	2,995,201
Total	**3,471,989**	**8,419,405**

17) Network Operation Expenses

	For the year ended March 31, 2017	For the year ended March 31, 2016
Equipment Maintenance and Support	4,143,200	3,877,081
Marine Cable Operations	20,222,285	24,352,519
Landing Stations and Point of Presence costs	33,550,177	33,864,662
Terrestrial Cable, Inland Amplifier and Regenerator Sites	14,807,119	21,506,211
Local Tails	26,636,434	25,096,664
Telecom Circuit cost and Equipment	90,032,917	99,073,457
Internet Protocol cost	2,823,280	3,035,961
Total	**192,215,412**	**210,806,555**

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18) Employee cost

	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries and bonus	51,521,653	49,740,510
Contribution to defined contribution plans	2,527,225	2,221,765
Staff welfare expenses	2,639,950	2,717,333
Total	**56,688,828**	**54,679,608**

GCX Group does not have any other significant defined benefit plan.

19) Other expenses

	For the year ended March 31, 2017	For the year ended March 31, 2016
Rent	3,393,529	4,984,032
Rates and taxes	803,872	2,510,560
Insurance	623,450	976,779
Audit Fees	1,242,817	1,345,241
Legal Fees	1,244,681	1,063,986
Professional Charges	2,156,246	4,332,812
Licensing and Regulatory Fees	410,680	443,134
Travelling and Entertainment Expenses	3,531,351	3,046,946
Communication	740,901	1,079,742
Information Technology Support	2,913,133	3,013,887
Bank charges	180,494	277,266
Impairment of Trade Receivables	7,166,462	906,116
Sales and Marketing	1,575,776	797,359
Facility and usage charges	1,017,108	1,289,731
Others	1,194,207	959,547
Total	**28,194,707**	**27,027,138**

20) Finance income and costs

	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest Income	66,772	17,720
Finance income	**66,772**	**17,720**
Interest on Asset Retirement Obligations	370,822	364,166
Interest on 7% Senior Secured Notes	24,500,000	24,500,000
Accretion of 7% Senior Secured Notes issue expenses	2,546,230	2,357,443
Interest on Loan from Banks (Revolving Credit Facility)	72,245	-
Credit facility charges	417,851	488,000
Interest – others	23,563	28,749
Finance cost	**27,930,711**	**27,736,358**
Finance cost, net	**27,863,939**	**27,720,638**

21) Income tax and deferred tax

	For the year ended March 31, 2017	For the year ended March 31, 2016
Current tax	828,096	(8,346,387)
Deferred tax (net)	(5,653,660)	(532,432)
Credit recognised in the Consolidated Statement of Comprehensive Income	**(4,825,564)**	**(8,878,819)**
Income tax credit		
Income tax credit is attributable to:		
(Loss)/Profit from continuing operations	(874,190)	(8,346,387)
Loss from discontinued operation	(3,951,374)	(532,432)
Total	**(4,825,564)**	**(8,878,819)**





Notes to Consolidated Financial Statements

Reconciliation between the provisions for income tax to the amount computed by applying the statutory income tax rate to the income before provision for income tax is summarised below:

	For the year ended March 31, 2017	For the year ended March 31, 2016
Loss/Profit from continuing operations before income tax expense	**(45,272,133)**	**32,400,824**
Loss from discontinuing operation before income tax expense	**(8,093,438)**	**(20,469,774)**
Income tax effect due to:		
Tax calculated at domestic tax rates applicable to profits/ (losses) in the respective countries	2,110,310	(1,139,011)
Adjustment in respect of tax assessments relating to earlier years	(211,652)	(12,738,556)
Expenses not deductible for tax purposes	431,865	371,886
Reversal of previously recognized deferred tax liability which cannot be utilised for tax purpose	(3,951,374)	-
Tax losses for which no deferred tax asset was recognized	3,916,143	8,105,158
Utilization of previously unrecognized tax losses	(7,275,688)	(3,411,308)
Others	154,832	(66,988)
Income tax credit	**(4,825,564)**	**(8,878,819)**

The weighted average applicable tax rate was (3.95) % (March 31, 2016: (10) %). The increase in tax rate is caused by a change in the profitability of the Group's subsidiaries in the respective countries.

At the present time, no income, profit, capital or capital gains taxes are levied in Bermuda. In the event that such taxes are levied in the future, RGL and all their subsidiaries registered in Bermuda have received an undertaking dated April 26, 2012 from the Bermuda Government exempting them from all such taxes until March 31, 2035.

The provision for income taxes reflected in the accompanying Consolidated Statement of Comprehensive Income consists of taxes incurred on the income earned or activities performed by GCX Group in certain jurisdictions, where they are deemed to have a taxable presence or are otherwise subject to tax.

The (benefit)/provision for income taxes, which consists entirely of taxes payable to foreign governments outside Bermuda, is comprised of the following:

	For the year ended March 31, 2017	For the year ended March 31, 2016
Current tax charge/ (credit)	828,096	(8,346,387)
Deferred tax credit	(5,653,660)	(532,432)
Total	**(4,825,564)**	**(8,878,819)**

Notes to Consolidated Financial Statements

Significant components of Deferred tax assets and liabilities presented in the Consolidated Statement of Financial Position are as follows:

	As at March 31, 2017	As at March 31, 2016
Deferred tax liabilities		
Carrying value of intangible asset	-	3,951,374
Carrying value of Property, Plant and Equipment	1,224,691	344,127
Others	70,834	1,961,220
Total	**1,295,525**	**6,256,721**

	As at March 31, 2017	As at March 31, 2016
Deferred tax assets		
Carrying value of Property, Plant and Equipment	809,383	145,331
Others	116,363	87,951
Total	**925,746**	**233,282**

Notes to Consolidated Financial Statements

The movement in Deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	As at April 1, 2015	Charge (Credited)/ Debited to the Statement of Comprehensive income	As at March 31, 2016	Charge (Credited)/ Debited to the Statement of Comprehensive income	As at March 31, 2017
Deferred tax liabilities					
Carrying value of intangible asset	4,777,611	(826,237)	3,951,374	(3,951,374)	-
Carrying value of Property, Plant and Equipment	101,489	242,638	344,127	880,564	1,224,691
Others	1,956,894	4,326	1,961,220	(1,890,386)	70,834
Total	**6,835,994**	**(579,273)**	**6,256,721**	**(4,961,196)**	**1,295,525**
Deferred Tax Assets					
Carrying value of Property, Plant and Equipment	141,078	4,253	145,331	664,052	809,383
Others	133,347	(45,396)	87,951	28,412	116,363
Total	**274,425**	**(41,143)**	**233,282**	**692,464**	**925,746**

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. GCX Group did not recognise Deferred tax assets of US$ 274,454,905 (March 31, 2016: US$ 253,328,051) in respect of losses amounting to US$ 905,655,384 (March 31, 2016: US$ 925,724,753) that can be carried forward against future taxable income.

Tax loss carry-forwards and other temporary differences for which no deferred tax assets were recorded amounted to:

	For the year ended March 31, 2017	For the year ended March 31, 2016
Expiring within 1 year	5,976,160	3,447,657
Expiring within 1 to 5 years	70,615,618	26,278,306
Expiring within 5 to 7 year	64,631,582	92,802,406
Expiring within 7 to 20 years	378,641,338	381,322,977
Expiring without limitation	385,790,686	421,873,407
Total un-recognized tax loss carry-forwards	**905,655,384**	**925,724,753**

Unrecognised temporary differences on investments in subsidiaries

Temporary differences relating to investments in subsidiaries for which deferred tax liabilities have not been recognised:

	As at March 31,2017	As at March31,2016
Undistributed earnings of subsidiaries	18,180,132	17,116,113
Unrecognised deferred tax liabilities relating to the above temporary differences	2,598,552	3,004,235

GCX Group has not recognised deferred tax liability on temporary differences towards investment (tax on outside basis) in its subsidiaries to the tune of US$ 2,598,552 (March 31, 2016: US$ 3,004,235) as GCX Group has determined that the subsidiaries profits and reserves will not be distributed in the foreseeable future and the subsidiaries will not be disposed off.

Significant management judgement is required in determining provision for income tax, deferred tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax assets is based on GCX Group's estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred tax assets will be recovered. [Refer note 3 (vi)].





22) Financial instruments

Financial instruments by category as at March 31, 2017 and March 31, 2016 are as follows:

Financial assets as per Consolidated Statement of Financial Position (at amortised cost)	As at March 31, 2017	As at March 31, 2016
Loans and Receivables		
Cash and cash equivalents	62,948,786	83,410,140
Trade receivables	213,102,659	181,871,045
Other receivables	20,876,037	8,153,590
Total	**296,927,482**	**273,434,775**

Financial Liabilities as per Consolidated Statement of Financial Position (at amortised cost)	As at March 31, 2017	As at March 31, 2016
Other Financial Liabilities		
Borrowings	360,388,314	347,769,838
Trade payables	27,877,210	32,330,005
Finance lease liabilities	13,568,967	16,765,737
Other payables	143,787,527	140,387,745
Total	**545,622,018**	**537,253,325**

The carrying amounts reported in the Consolidated Statement of Financial Position for cash and cash equivalents, trade and other receivables, trade payable, and other payable approximate their respective fair values due to their short-term nature. The fair value of finance lease liabilities (based on discounted cash flow analysis) as at March 31, 2017 is US$ 17,163,116 (March 31, 2016: US$ 22,333,603).

Refer to note 20 for details of interest income and expenses and gains and losses on financial assets and liabilities recognised in net profit in the Consolidated Statement of Comprehensive Income. Interest income relates to loans and receivables while interest expense (other than interest on asset retirement obligations) relates to other financial liabilities.

Fair Value Hierarchy

The three levels of the fair-value-hierarchy are described below:

Level 1: Observable inputs that reflect quoted prices (un-adjusted) for identical assets or liabilities in active markets.

Level 2: Inputs reflect quoted prices for identical assets or liabilities in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or the liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Un-observable inputs reflecting the Company's own assumptions incorporated in the valuation techniques that are used to determine the fair value. These assumptions are required to be consistent with market participant assumptions that are reasonably available.





The fair value hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements).

Non-current borrowings, 7% Senior Secured Notes are listed on Singapore Stock Exchange and actively traded in market and hence classified as level 1 in fair value hierarchy.

Fair value of financial assets and liabilities measured at amortised cost:
The fair values and carrying values of the non – current borrowings held at amortised cost are set out in the table below:

	Fair value as at	
	As at March 31, 2017	As at March 31, 2016
Financial Liabilities (Level 1)		
Non - Current Borrowings	358,470,000	330,459,500

	Carrying value	
	As at March 31, 2017	As at March 31, 2016
Financial Liabilities (Level 1)		
Non - Current Borrowings	346,232,735	343,686,504

Trade receivables, other receivable, trade payables, interest accrued but not due, other payable and current borrowings presented in the balance sheet as their carrying value is approximate their fair values, due to their short-term nature. Cash and cash equivalents are held on a short term basis with all having a maturity three months or less.

The fair value of non-current borrowings is valued using the mid-price as at the reporting period.

23) Financial and capital risk management

I. Financial risk factors

The major financial instruments of the Consolidated GCX Group include Cash and cash equivalents, financial assistance to related parties, trade and other receivables, finance lease liabilities, trade and other payables and borrowings. Details of these financial instruments are disclosed in the respective notes to the Consolidated Financial Statements. The risk management program of GCX Group is aimed to minimize the financial risks for the business.

a) Market risk

(i)Foreign exchange risk

Currency risk as defined under IFRS 7 arises on financial instruments being denominated in a currency that is not the functional currency of the entity and that are monetary in nature.

GCX Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the EURO and GBP. GCX Group manages this risk by mostly transacting in US$. Most of the capacity sale and purchase contracts and service revenue contracts are in US$ so are the long terms operating contracts including marine maintenance, landing station charges. The capex is also largely agreed and settled in US$. The exposure to local currency is primarily on account of employee related and selling, administration and other costs. GCX Group does not have any formal currency hedging policy as most of the transactions are transacted in US$ and does not enter in to any derivatives including forward contracts.

The currency profile of financial assets and financial liabilities as at March 31, 2017 and March 31, 2016 are as below:

As at March 31, 2017	US$	Euro	GBP	Others	Total
Financial Assets					
Cash and cash equivalents	49,647,317	3,725,020	5,827,301	3,749,148	62,948,786
Trade receivables	180,872,698	21,798,709	8,270,605	2,160,647	213,102,659
Other receivables	18,880,057	430,165	17,473	1,548,342	20,876,037
Total	**249,400,072**	**25,953,894**	**14,115,379**	**7,458,137**	**296,927,482**

As at March 31, 2017	US$	Euro	GBP	Others	Total
Financial Liabilities					
Borrowings	360,388,314	-	-	-	360,388,314
Trade payables	6,436,851	589,559	16,961,103	3,889,697	27,877,210
Finance lease liabilities	13,568,967	-	-	-	13,568,967
Other payables	97,989,372	22,969,974	12,473,973	10,354,208	143,787,527
Total	**478,383,504**	**23,559,533**	**29,435,076**	**14,243,905**	**545,622,018**

As at March 31, 2016	US$	Euro	GBP	Others	Total
Financial Assets					
Cash and cash equivalents	55,327,103	9,984,435	3,495,089	14,603,513	83,410,140
Trade receivables	150,129,375	20,189,854	5,139,228	6,412,588	181,871,045
Other receivables	5,037,017	1,141,589	65,772	1,909,212	8,153,590
Total	**210,493,495**	**31,315,878**	**8,700,089**	**22,925,313**	**273,434,775**

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As at March 31, 2016	US$	Euro	GBP	Others	Total
Financial Liabilities					
Borrowings	347,769,838	-	-	-	347,769,838
Trade payables	19,313,066	1,150,377	2,308,562	9,558,000	32,330,005
Finance lease liabilities	16,765,737	-	-	-	16,765,737
Other payables	92,603,035	22,119,043	15,248,945	10,416,722	140,387,745
Total	**476,451,676**	**23,269,420**	**17,557,507**	**19,974,722**	**537,253,325**

Foreign Exchange Sensitivity

Impact on Profit before tax and Equity	For the year ended March 31, 2017	For the year ended March 31, 2016
Increase/(Decrease) in Euro		
- Sensitivity (2017 - 3%, 2016 – 2%)	71,831	160,929
Increase/(Decrease) in GBP		
- Sensitivity (2017 - 6%, 2016 – 3%)	919,182	265,723

The sensitivity analysis is based on a reasonably possible change in the underlying foreign currency against the US$ computed from historical data and assuming all other information to be constant.

(ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Company's interest rate risk arises from borrowings. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IFRS 7, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The profile of GCX Group's borrowings as at March 31, 2017 and March 31, 2016 is provided in note 10.

b) Credit risk

Credit risk encompasses the direct risk of default, the risk of deterioration of creditworthiness as well as concentration risks. It principally arises from deposits with banks, loans and receivables, and credit exposures to customers, including outstanding receivables. Trade receivables of GCX Group are typically unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals and periodic monitoring the creditworthiness of customers to which GCX Group grants credit terms in the normal course of business. GCX Group's customers primarily comprise of carriers and other corporate customers which are high value creditworthy companies and government controlled companies. In addition, ethernet business primarily caters

to small and medium enterprise customers in US. The utilisation of credit limits is regularly monitored.

GCX Group also maintains an allowance for impairment of trade receivables based upon the expected collectability of accounts receivables. Moreover, the interest bearing deposits are with banks and financial institutions of reputation, good past track record and high quality credit rating.

GCX Group has potential concentrations of credit risk from its accounts receivables, Cash and cash equivalents.

GCX Group maintains its Cash and cash equivalents with credit worthy banks and financial institutions and reviews it on an on-going basis. As at March 31, 2017 and March 31, 2016 an amount of US$ 62,948,786 and US$ 83,410,140 is maintained with various banks and financial institutions.

(i) *Financial assets which are past due but not impaired*

Trade receivables which are past due but not impaired as at March 31, 2017 and March 31, 2016 amounting to US$ 164,717,782 and US$ 143,940,371 respectively.

The ageing analysis of the trade receivables have been considered from the due date. The age wise break up of trade receivables that are past due is given below:

Particulars	As at March 31, 2017	As at March 31, 2016
Past due 0-30 days	18,292,115	25,509,487
Past due 31-60 days	31,003,226	3,631,552
Past due 61-120 days	6,421,501	35,472,400
Past due 121-180 days	12,266,945	16,862,261
Past due over 180 days	96,733,995	62,464,671
Total	**164,717,782**	**143,940,371**

As at March 31, 2017 trade receivables of US$ 96,733,995 (March 31, 2016: US$ 62,464,671) were past due for 180 days but not impaired. The receivables past due but not impaired are assessed on individual case to case basis which relates to a number of customers which includes related party as well as third party customer from whom there is no recent history of default. Balances reflecting within "Past due over 180 days" as of March 31, 2017 included receivables from the Parent and its subsidiaries and counterparties having significant sums receivable from the GCX Group. These financial assets were not provided for as there had not been a significant change in credit quality and the amounts were still considered recoverable based on the nature of the activity of GCX Group and type of customers.

All other class of financial assets are neither past due nor impaired except as discussed in the points (ii) and (iii) mentioned below.





(ii) Financial assets which are past due and impaired

There are no other classes of financial assets that are past due but not impaired except for trade receivables of US$ 58,776,212 and US$ 54,147,829, as at March 31, 2017 and March 31, 2016 respectively. GCX Group's credit period is generally 30 days. The said assets include a combination of assets which are fully impaired and partly impaired.

(iii) Financial assets which are neither past due nor impaired

Trade Receivables which are neither past due nor impaired as at March 31, 2017 and March 31, 2016 aggregate to US$ 40,019,863 and US$ 47,326,171 respectively. All other financial assets are neither past due not impaired.

c) Liquidity risk

The following tables detail the remaining contractual maturities at the end of the reporting period of GCX Group, which are based on contractual and undiscounted cash flows and the earliest date GCX Group can be required to pay. GCX Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following tables set forth the details of future payments as to financial liabilities as at March 31, 2017 and March 31, 2016

As at March 31, 2017	**Up to 1 year**	**1-3 years**	**3-5 years**	**After 5 years**	**Total**
Other financial liabilities					
Borrowings	34,612,104	386,750,000	-	-	421,362,104
Trade payables	27,877,210	-	-	-	27,877,210
Finance lease liabilities	2,353,406	4,502,152	4,419,560	7,067,418	18,342,536
Other payables	143,787,527	-	-	-	143,787,527
Total	**208,630,247**	**391,252,152**	**4,419,560**	**7,067,418**	**611,369,377**

As at March 31, 2016	**Up to 1 year**	**1-3 years**	**3-5 years**	**After 5 years**	**Total**
Other financial liabilities					
Borrowings	24,500,000	49,000,000	362,250,000	-	435,750,000
Trade payables	32,330,005	-	-	-	32,330,005
Finance lease liabilities	2,819,184	5,559,495	5,029,620	9,815,938	23,224,237
Other payables	140,387,745	-	-	-	140,387,745
Total	**200,036,934**	**54,559,495**	**367,279,620**	**9,815,938**	**631,691,987**

GCX Group has at its disposal cash and cash equivalents of US$ 62,948,786 and US$ 83,410,140 as at March 31, 2017 and March 31, 2016 respectively.

II. Capital management

GCX seeks to maintain a strong financial profile to safeguard its going concern, financial flexibility as well as shareholders', bond holders and other stakeholders' confidence in the company. Consequently, operating liquidity is of great importance. GCX monitors leverage ratio, interest coverage ratio, profitability and liquidity ratios to keep them in a range in compliance with covenant mentioned in indenture for 7% Senior Secured notes, due 2019.

24) Earnings per share

The calculation of basic and diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

(i) (Loss)/Profit attributable to ordinary shareholders:

	For the year ended March 31, 2017	For the year ended March 31, 2016
(Loss)/Profit from continuing operations	(44,499,713)	40,734,518
Loss from discontinuing operations	(192,225,898)	(19,937,342)
(Loss)/Profit for the year, attributable to the owners of GCX Group	(236,725,611)	20,797,176

(ii) Weighted-average number of ordinary shares:

	2017	2016
Ordinary shares at April 1	235,322,790	235,322,790
Effect of shares issued during the year	-	-
Weighted-average number of ordinary shares at March 31	235,322,790	235,322,790

(iii) Basic and diluted (loss)/earnings per share

(Loss)/ Earnings per share for (loss)/ profit from continuing operations attributable to the owners of GCX Group	(0.19)	0.17
Loss per share for loss from discontinuing operations attributable to the owners of GCX Group	(0.82)	(0.08)
(Loss)/ Earnings per share for (loss)/ profit attributable to the owners of GCX Group	(1.01)	0.09

25) Segment reporting

The GCX Group is being geared to provide the customers with a composite service tailored to their industry or their specific needs like cost optimization or increased speed of reach, which in-turn involves leveraging a combination of the assets and service capabilities of GCX Group. The CEO of GCX performs the function of Chief Operating Decision Maker ('CODM'). The GCX Group has a single operating segment, viz. Data Services Business. The Data Services Business of GCX Group provides an integrated service to its global customers.

The CODM reviews the segment results at a combined level for all regions and businesses, when assessing the GCX Group's overall performance and deciding the manner in which to allocate resources. The service revenue from external customers reported to the CODM is measured in a manner consistent with that disclosed in Note 16 of the Consolidated Statement of Comprehensive Income. Segment results represent operating profit in the Consolidated Statement of Comprehensive Income.
The non-current assets of GCX Group primarily comprise of the Network assets (refer note 4) and Intangible assets (refer note 6). Network assets primarily comprises of sub-sea cable systems and the related assets associated with it which span across several countries covering six major routes covering Trans-Atlantic, Intra-Asia, Middle East-West, Middle East-East, India-West and India-East while intangible assets cover three major routes of Japan - Singapore, France - Singapore and Singapore – Hong Kong and also include acquired intangible assets from past business combinations in form of customer relationships spread across several countries. As network assets are not necessarily located in the country of domicile and customer relationships spread across varied locations of underlying customers, it is impracticable to disclose assets by geographical location. The billing on customers for certain capacity contracts are done primarily from one jurisdiction of preference not necessarily divided into geographical locations based on the customer location or the network assets.

Further, when a composite service is offered to a customer, while the billing may be done in one jurisdiction the services in-turn would be sought or assets used would be from different legal entities within the GCX Group domiciled in different geographies. Therefore, it is impracticable to meaningfully disclose service revenue by geographical locations.

Reliance Communications Limited contributed 10.53% of GCX Group's service revenue in the year ended March 31, 2017 (March 31, 2016: 11.30%). No other customer contributes more than 10% of GCX Group's service revenue.





26) Related party transactions

GCX is controlled by GCXL, incorporated in Bermuda, which owns 100% of GCX's shares. GCX's ultimate parent is Reliance Communication Limited (incorporated in the Republic of India).

List of related parties:

(a) Parent company

(i) Global Cloud Xchange Limited ("GCXL") (parent)
(ii) Reliance Globalcom BV. ("RGBV") (intermediate parent)
(iii) Reliance Communication Limited ("RCOM") (ultimate parent)

(b) List of subsidiaries

Subsidiaries are direct or indirect subsidiaries of parent entities, refer note 2.1(d) for list of subsidiaries.

(c) Related parties (Fellow Subsidiaries) with whom transactions have taken place

(i) Reliance Communications Infrastructure Limited
(ii) Reliance Communications (UK) Limited
(iii) Reliance Communications (Hong Kong)Limited
(iv) Reliance Communications Inc.
(v) Reliance Infocomm Infrastructure Ltd.
(vi) Reliance Webstore Ltd
(vii) Reliance Tech Services Ltd
(viii) Lagerwood investment Limited

(d) Key managerial personnel

Mr. William Barney (Group CEO)

(e) Sales of services

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Service Revenue		
Parent company	44,157,715	52,480,274
Fellow subsidiaries	2,233,878	3,159,818
Total	**46,391,593**	**55,640,092**

Sales of services are negotiated with related parties on a cost-plus basis and are determined on the basis of market price.

(f) Purchases of services

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Network Operating Expenses		
Parent company	7,233,454	7,077,951
Fellow subsidiaries	-	29,623
Total	**7,233,454**	**7,107,574**

Purchases of services are negotiated with related parties on a cost-plus basis and are determined on the basis of market price.

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Other expenses		
Parent company	219,516	72,000
Fellow subsidiaries	2,690,350	2,794,822
Total	**2,909,865**	**2,866,822**

Other expenses primarily include charges towards contracted services.

(g) Key management compensation

Remuneration and benefits to key managerial personnel US$ 2,099,966 (March 31, 2016: 1,750,611).

(h) Year-end balances arising from sales/purchases of services

Particulars	As at March 31, 2017	As at March 31, 2016
Trade Receivables		
Parent company	78,662,271	45,776,597
Fellow subsidiaries	13,595,232	13,133,648
Total	**92,257,503**	**58,910,245**

The receivables from related parties arise mainly from sales transactions and are due 1-2 months after the date of sales. The receivables are unsecured in nature and bear no interest. No provisions are held against receivables from related parties.

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Particulars	As at March 31, 2017	As at March 31, 2016
Other Advances and Receivables		
Parent company	5,833,218	12,139,310
Fellow subsidiaries	2,468,782	187,418
Total	**8,302,000**	**12,326,728**

Other receivable are mainly due to current accounts balance for transaction made on behalf of the company.

Particulars	As at March 31, 2017	As at March 31, 2016
Trade Payables		
Parent company	906,458	1,596,551
Fellow subsidiaries	3,587,350	3,775,831
Total	**4,493,808**	**5,372,382**

The payables to related parties arise mainly from purchase transactions and are due 1-2 months after the date of purchase. The payables bear no interest.

Particulars	As at March 31, 2017	As at March 31, 2016
Accrued expenses		
Parent company	10,483	438,968
Fellow subsidiaries	1,409,416	19,056
Total	**1,419,899**	**458,024**

(i) Year-end balances arising from other transactions

Particulars	As at March 31, 2017	As at March 31, 2016
Other Payables		
Parent company*	-	15,000,000
Fellow subsidiaries	355,400	355,400
Total	**355,400**	**15,355,400**

*related to interim dividend payable.

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27) Lease

Operating lease

i) As lessee :

Lease Details	For the year ended March 31, 2017	For the year ended March 31, 2016
Minimum lease payments under operating leases recognised as expense during the year	3,211,239	6,392,763

ii) The lease rentals charged during the period for cancellable / non-cancellable lease relating to the rent of building and office premises are as per agreement and the maximum obligation on long term non-cancellable operating lease are as under:

Minimum lease payments	As at March 31, 2017	As at March 31, 2016
Non-cancellable Lease		
Not later than one year	2,332,473	3,924,325
Later than one year but not later than five years	2,818,762	6,008,774
Later than five years	272,295	607,740
	5,423,530	**10,540,839**

Finance lease

GCX Group leases dark fibre optic transmission systems and vehicles under non-cancellable finance lease agreements. The lease terms are between 15 to 25 years for dark fibre optic transmission systems and between 3 to 5 years for vehicles.

Gross finance lease liabilities - Minimum lease payments	As at March 31, 2017	As at March 31, 2016
Not later than one year	2,353,406	2,819,184
Later than one year but not later than five years	8,921,713	10,589,115
Later than five years	7,067,417	9,815,938
	18,342,536	23,224,237
Future finance charges on finance lease liabilities	(4,773,569)	(6,458,500)
Present value of finance lease liabilities	**13,568,967**	**16,765,737**





Present value of finance lease liabilities is as follows:

	As at March 31, 2017	As at March 31, 2016
Not later than one year	1,385,844	1,575,555
Later than one year but not later than five years	6,190,665	7,036,500
Later than five years	5,992,458	8,153,682
	13,568,967	**16,765,737**

During the year, the Company terminated some of its finance lease contracts and this has resulted in reduction in finance lease assets by US$ 1,090,393 (March 31, 2016: US$ 3,108,072) and finance lease obligations by US$ 1,782,791 (March 31, 2016: US$ 3,402,294).

28) Discontinued operation

In November 2016, following a strategic decision to exit the U.S.A. Ethernet business, the Company through its wholly owned subsidiary Reliance Globalcom Services Inc (RGSI) acquired a newly incorporated Company named "Onyx NewCo LLC" (ONL), a Delaware Registered Company. In this respect, (i) as of on November 15, 2016, the customer contracts plus certain assets and liabilities the RGSI Ethernet Division were transferred to ONL and (ii) as on November 16, 2016 the entire issued share capital of ONL was acquired by GTT Americas LLC. The RGSI Ethernet Operation was not previously classified as a discontinued operation. The comparative consolidated statement of Comprehensive Income has been restated to present separately the discontinued operation from continuing operation.

In spite of the discontinuation of the RGSI Ethernet Business, the Group has continued purchase/sale from/to discontinued operation. While intra-group transactions have been fully eliminated in the consolidated financial statements, management has elected to attribute the eliminations of transactions between the continuing operations and discontinued operations prior to the disposal in a way that reflects the continuance of these transactions subsequent to the disposal, as management believes this is useful to the users of the financial statements.

To achieve this presentation, management has eliminated from the results of the discontinued operation the inter-group sales (and costs thereof, less unrealized profits) made prior to its discontinuance. Because sales/purchases from the discontinued operation will continue subsequent to the discontinuation, inter-groups sales/purchases made by the continuing operations prior to the disposal are retained in continuing operations.





Notes to Consolidated Financial Statements

Details presentation is as below:

A. Results of discontinued operation

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
REVENUE		
Service revenue	19,075,796	38,317,834
Other income	2,156,117	474,610
Elimination of inter-operation revenue	(2,988,818)	(5,459,182)
Total Revenue	**18,243,095**	**33,333,262**
EXPENSES		
Network operation expenses	19,862,857	37,115,940
Employee cost	2,244,238	9,886,290
Depreciation and amortisation	3,974,486	5,587,782
Other expenses	2,663,068	5,418,795
Elimination of inter-operation expenses	(2,988,818)	(5,459,182)
Total Expenses	**25,755,831**	**52,549,625**
Operating Loss	**(7,512,736)**	**(19,216,363)**
Finance income	(1,382)	-
Finance costs	727,228	1,429,792
Finance cost	**725,846**	**1,429,792**
Gain on foreign currency fluctuation (net)	(145,144)	(176,381)
Loss before income tax	**(8,093,438)**	**(20,469,774)**
Income tax credit	3,951,374	532,432
Loss from operation after tax	**(4,142,064)**	**(19,937,342)**
Loss on disposal of discontinued operation	(188,083,834)	-
Loss from discontinued operation attributable to the owners of GCX Group	**(192,225,898)**	**(19,937,342)**





B. Cash flow generated/ (used in) discontinued operation

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Net cash generated/ (used) in operating activities	7,999,919	(5,860,598)
Net cash used in investing activities	(7,671,231)	(167,136)
Net cash generated in financing activities	35,041	6,450,484
Net cash flows for the year	**363,729**	**422,750**

C. Effect of disposal on the Group

Particulars		US$
Effect of disposal on the Group		
Derecognition of intangible (Goodwill relating to RGSI's Ethernet Division)		(169,600,977)
Property, plant and equipment		(18,758,633)
Capital WIP		(2,559,999)
Assets relating to discontinued operation		**(190,919,609)**
Net consideration		
Consideration	28,000,000	
Cost related to transition services and settlement	(25,164,225)	2,835,775
Loss on disposal of discontinued operation		**(188,083,834)**

GCX LIMITED

Price Waterhouse Chartered Accountants FRN 301112 Mumbai

29) Detailed presentation of Restricted and Unrestricted subsidiaries

Statement of Comprehensive Income

For the year ended as on March 31, 2017

Particulars	Restricted Subsidiaries*	Unrestricted Subsidiaries*	Total	Intragroup elimination	Net Total
REVENUE					
Service Revenue	403,109,629	19,075,796	422,185,425	(2,988,818)	419,196,607
Other income	3,461,989	2,167,499	5,629,488	-	5,629,488
Total Revenue	**406,571,618**	**21,243,295**	**427,814,913**	**(2,988,818)**	**424,826,095**
EXPENSES					
Network Operation Expenses	192,215,412	19,862,857	212,078,269	(2,827,857)	209,250,412
Employee cost	56,688,828	2,244,238	58,933,066	(160,961)	58,772,105
Depreciation and amortisation	78,786,226	3,974,486	82,760,712	-	82,760,712
Impairment	69,460,848	-	69,460,848	-	69,460,848
Other Expenses	28,186,707	2,671,067	30,857,774	-	30,857,774
Total Expenses	**425,338,021**	**28,752,648**	**454,090,669**	**(2,988,818)**	**451,101,851**
Operating Loss	**(18,766,403)**	**(7,509,353)**	**(26,275,756)**	**-**	**(26,275,756)**
Finance income	66,772	1,382	68,154	-	68,154
Finance costs	(27,930,711)	(728,610)	(28,659,321)	-	(28,659,321)
Finance cost, net	**(27,863,939)**	**(727,228)**	**(28,591,167)**	**-**	**(28,591,167)**
Gain/(Loss) on Foreign Currency fluctuation (net)	1,356,209	(145,144)	1,501,353	-	1,501,353
Loss on disposal of discontinued operation	-	(188,083,834)	(188,083,834)	-	(188,083,834)
Loss before income tax	**(45,274,133)**	**(196,175,271)**	**(241,449,404)**	**-**	**(241,449,404)**
Income tax credit	874,190	3,951,374	4,825,564	-	4,825,564
Net Loss for the year	**(44,399,943)**	**(192,223,897)**	**(236,623,840)**	**-**	**(236,623,840)**

* refer note 2.1.d for list of restricted and unrestricted subsidiaries.





Detailed presentation of Restricted and Unrestricted subsidiaries

Statement of Comprehensive Income

For the year ended as on March 31, 2017

Particulars	Restricted Subsidiaries*	Unrestricted Subsidiaries*	Total	Intragroup elimination	Net Total
Other comprehensive income					
Items that may be subsequently reclassified to profit or loss					
Currency translation difference	(11,167,950)	-	(11,167,950)		(11,167,950)
Total other comprehensive income for the year	**(11,167,950)**	-	**(11,167,950)**	-	**(11,167,950)**
Total comprehensive income for the year	**(55,567,893)**	**(192,223,897)**	**(247,791,790)**	-	**(247,791,790)**
Net (Loss)/Profit attributable to:					
Owners of GCX Group	(44,501,713)	(192,223,897)	(236,725,610)	-	(236,725,610)
Non-controlling Interest	101,770	-	101,770	-	101,770
Total Net (Loss)/Profit	**(44,399,943)**	**(192,223,897)**	**(236,623,840)**	-	**(236,623,840)**
Total comprehensive income attributable to:					
Owners of GCX Group	(55,669,663)	(192,223,897)	(247,893,560)	-	(247,893,560)
Non-controlling Interest	101,770	-	101,770	-	101,770
Total comprehensive income	**(55,567,893)**	**(192,223,897)**	**(247,791,790)**	-	**(247,791,790)**

* refer note 2.1.d for list of restricted and unrestricted subsidiaries.





Detailed presentation of Restricted and Unrestricted subsidiaries

Statement of Financial Position

As at March 31, 2017

Particulars	Restricted Subsidiaries*	Unrestricted Subsidiaries*	Total	Intragroup elimination	Net Total
Assets					
Non-current Assets					
Property, plant and equipment	919,097,404	15,770,865	934,868,269	-	934,868,269
Capital Work-in-Progress	181,371	-	181,371	-	181,371
Investments	315,947,078	-	315,947,078	(315,947,078)	-
Intangible assets	117,236,403	-	117,236,403	-	117,236,403
Trade and other receivables	13,877,300	-	13,877,300	-	13,877,300
Current tax assets	2,231,888	-	2,231,888	-	2,231,888
Deferred tax assets	925,746	-	925,746	-	925,746
Total Non-current Assets	**1,369,497,190**	**15,770,865**	**1,385,268,055**	**(315,947,078)**	**1,069,320,977**
Current Assets					
Trade and other receivables	241,813,174	14,196,298	256,009,472	(203,708)	255,805,764
Cash and cash equivalents	61,144,641	1,804,145	62,948,786	-	62,948,786
Financial assistance to related parties	-	5,394,820	5,394,820	(5,394,820)	-
Total Current assets	**302,957,815**	**21,395,263**	**324,353,078**	**(5,598,528)**	**318,754,550**
Total Assets	**1,672,455,005**	**37,166,128**	**1,709,621,133**	**(321,545,606)**	**1,388,075,527**

* refer note 2.1.d for list of restricted and unrestricted subsidiaries.





Detailed presentation of Restricted and Unrestricted subsidiaries

Particulars	Restricted Subsidiaries*	Unrestricted Subsidiaries*	Total	Intragroup elimination	Net Total
Equity and Liabilities					
Equity attributable to the owners of the GCX Group					
Share capital	235,322,791	315,946,574	551,269,365	(315,946,575)	235,322,790
Securities premium	104,163,499	-	104,163,499	-	104,163,499
Capital reserves	72,816,469	-	72,816,469	-	72,816,469
Retained earnings	164,669,431	(314,541,260)	(149,871,829)	-	(149,871,829)
Foreign currency translation reserve	(70,542,730)	-	(70,542,730)	-	(70,542,730)
Total equity attributable to the owners of the GCX Group	**506,429,460**	**1,405,314**	**507,834,774**	**(315,946,575)**	**191,888,199**
Non-controlling interest	(2,685,333)	-	(2,685,333)	-	(2,685,333)
Total Equity	**503,744,127**	**1,405,314**	**505,149,441**	**(315,946,575)**	**189,202,866**
Liabilities					
Non- current Liabilities					
Borrowings	346,232,735	12,183,123	358,415,858	-	358,415,858
Trade and other Payables	1,533,721	-	1,533,721	-	1,533,721
Deferred revenue	483,722,106	-	483,722,106	-	483,722,106
Asset Retirement Obligation	20,904,782	-	20,904,782	-	20,904,782
Deferred tax liabilities	1,295,525	-	1,295,525	-	1,295,525
Total Non-current Liabilities	**853,688,869**	**12,183,123**	**865,871,992**	**-**	**865,871,992**
Current Liabilities					
Borrowings	14,155,579	1,385,844	15,541,423	-	15,541,423
Trade and other payables	152,762,886	22,191,847	174,954,733	(204,211)	174,750,522
Deferred revenue	140,995,813	-	140,995,813	-	140,995,813
Current tax liabilities	1,712,911	-	1,712,911	-	1,712,911
Financial assistance from related parties	5,394,820	-	5,394,820	(5,394,820)	-
Total Current Liabilities	**315,022,009**	**23,577,691**	**338,599,700**	**(5,599,031)**	**333,000,669**
Total Liabilities	**1,168,710,878**	**35,760,814**	**1,204,471,692**	**(5,599,031)**	**1,198,872,661**
Net assets/(liabilities)	**503,744,127**	**1,405,314**	**505,149,441**	**(315,946,575)**	**189,202,866**
Total equity and liabilities	**1,672,455,005**	**37,166,128**	**1,709,621,133**	**(321,545,606)**	**1,388,075,527**

* refer note 2.1.d for list of restricted and unrestricted subsidiaries.





30) Commitment, Contingencies and Litigations (to the extent not provided for):

Amount in US$

Particulars	March 31, 2017 Amount (US$)	March 31, 2016 Amount (US$)
Estimated value of contracts remaining to be executed on capital account (net of advances)	19,284,447	10,841,350
Claims against the Company not acknowledged as debts:		
- Licensing disputes with statutory authorities	373,965	396,868
- Employee Litigation	30,601	2,711,372
- Indirect tax matter	-	117,344
- Others	-	900,000

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

India Tax Litigation:

During the financial year 2015-16, Income Tax Appellate Tribunal has passed orders for assessment years 1998-99 to 2008- 2009 which are in favors of the company and accordingly the Company has received the refund including interest thereon and has utilized / reversed the provision of US$ 4,845,852 in financial year 2015-16.

Further during the current year, the company has received orders for assessment years 2006-07, 2009-10 to 2012-13 and 2014-15, and the Company has received refund of income tax including interest thereon in respect of such years amounting to US$ 941,205.

French Tax Litigation:

During the financial year 2015-16, the company settled a tax dispute with the French Tax Administration (FTA) pertaining to the rejection of the deductibility of certain expenses for earlier years amounting to Euro 151,650,637 (US$ 181,195,849) for Euro 7,650,000 (US$ 9,777,924) and the Company has utilized/reversed the provision made in earlier years amounting to Euro 7,650,000 (US$ 9,777,924).

Notes to Consolidated Financial Statements

31) Pledge of Shares

Reliance Globalcom B.V., the Netherlands (RGBV), the intermediary holding has availed a facility from Standard Chartered Bank (Lender), as amended from time to time. For securing the facility, shares of RGL, FTGSL and their material subsidiaries were pledged to the lender and RGL was one of the Guarantors for the facility. In the FY 2014-15, pursuant to the group restructuring exercise, the Lender has released the pledge on shares of RGL, FTGSL and its subsidiaries and RGL as Guarantor, in exchange for a pledge of shares of GCX Limited and Global Cloud Xchange Limited. GCX Limited and Global Cloud Xchange Limited are not guarantors for the facility.

32) New standards and amendments

The following standards, amendments and interpretation, which were in issue but not yet effective and have not been early adopted by the GCX Group.

a. IFRS 9 Financial Instruments: This standard addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

b. IFRS 16, 'Leases': This standard was issued in January 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change

c. Amendments to IAS 7, Statement of cash flows on disclosure initiative: This amendment introduced an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendment is part of the IASB's Disclosure Initiative, which continues to explore how financial statement disclosure can be improved. This amendment is effective from annual periods beginning on or after January 1, 2017.

d. Amendments to IAS 12, 'Income taxes' on Recognition of deferred tax assets for unrealised losses : This amendment on the recognition of deferred tax assets for unrealised losses clarify how to account for deferred tax assets related to debt instruments measured at fair value. This amendment is effective from annual periods beginning on or after January 1, 2017.

e. IFRS 15 'Revenue from contracts with customers': The IASB has issued a new standard for the recognition of revenue. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

f. IFRIC 22 – Foreign currency transactions and advance consideration: This IFRIC addresses foreign currency transactions or parts of transactions where there is consideration that is denominated or priced in a foreign currency. The interpretation provides guidance for when a single payment/receipt is made as well as for situations where multiple payments/receipts are made. The guidance aims to reduce diversity in practice. This IFRIC is effective for annual periods beginning on or after January 01, 2018.

g. IFRIC 23 – Uncertainty over income tax treatments: This IFRIC explains how to recognise and measure deferred and current tax assets and liabilities where there is uncertainty over a tax treatment. It provides a framework to consider, recognise and measure the accounting impact of tax uncertainties. This IFRIC is applicable for annual periods beginning on or after January 01, 2019

The management of the GCX Group is in the process of assessing the impact of these new or revised standards, amendments and interpretations. 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.

33) Approval of Consolidated Financial Statements

The Consolidated Financial Statements were authorised for issue by the Board of Directors of GCX Group.

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

Rory Cole
Chief Financial Officer
Place: Mumbai
Date: 29 June 2017

Rodney Riley
Director
Place: London
Date: 29 June 2017

GCX LIMITED GCX LIMITED

Independent auditor's report

To the Members of GCX Limited

Report on the consolidated financial statements

1. We have audited the accompanying consolidated financial statements of GCX Limited and its subsidiaries, which comprise the consolidated statement of financial position as at March 31, 2016 and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

2. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, for determining that the basis of preparation is acceptable in the circumstances, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

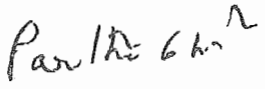
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements,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

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

Opinion

6. In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of GCX Limited and its subsidiaries as at March 31, 2016, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board.

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants



Partha Ghosh
Partner
Membership Number: 55913

Place: Mumbai
Date: July 20, 2016

GCX Limited

Consolidated Financial Statements

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Consolidated Statements of Financial Position

Particulars	Notes	As at March 31, 2016	As at March 31, 2015
Assets			
Non-current Assets			
Property, plant and equipment	4	987,536,809	1,044,294,618
Capital work-in-progress	5	18,818,731	7,513,951
Intangible assets	6	374,289,383	395,852,266
Trade and other receivables	7a	3,140,499	1,676,806
Income tax assets		2,413,747	610,328
Deferred income tax assets	22	233,282	274,425
Other assets	7b	15,049,912	9,267,890
Total Non-current Assets		**1,401,482,363**	**1,459,490,284**
Current Assets			
Trade and other receivables	7a	198,796,816	182,858,848
Cash and bank deposits	8	83,410,140	92,042,580
Other assets	7b	8,044,415	17,984,965
Total Current assets		**290,251,371**	**292,886,393**
Total Assets		**1,691,733,734**	**1,752,376,677**
Equity and Liabilities			
Equity attributable to the owners of the GCX Group			
Share capital	9	235,322,790	235,322,790
Share premium	9	104,163,499	104,163,499
Capital reserves	9	72,816,469	72,816,469
Retained earnings	9	86,853,782	81,059,036
Foreign currency translation reserve	9	(59,374,780)	(53,523,334)
Total equity attributable to the owners of the GCX Group		**439,781,760**	**439,838,460**
Non-controlling interest		(2,787,103)	(2,802,226)
Total Equity		**436,994,657**	**437,036,234**



GCX Limited –Consolidated Financial Statements

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statements of Financial Position

Particulars	Notes	As at March 31, 2016	As at March 31, 2015
Liabilities			
Non- current Liabilities			
Borrowings	10	358,876,686	361,215,585
Trade and other payables	12	-	616,365
Deferred revenue	13	533,987,870	621,676,781
Asset Retirement Obligation	14	20,633,959	20,169,793
Income tax liabilities		-	12,518,533
Deferred income tax liabilities	22	6,266,721	6,835,995
Other liabilities	15	1,225,190	1,434,699
Total Non-current Liabilities		920,880,426	1,024,467,771
Current Liabilities			
Borrowings	10	6,658,889	6,846,908
Trade and other payables	12	165,321,471	151,602,455
Deferred revenue	13	146,013,997	119,009,596
Current income tax liabilities		3,085,301	1,716,833
Other liabilities	15	23,778,993	12,696,880
Total Current Liabilities		333,858,651	290,872,672
Total Liabilities		1,254,739,077	1,315,340,443
Net assets		436,994,657	437,036,234
Total equity and liabilities		1,691,733,734	1,752,376,677

The accompanying notes form an integral part of these Consolidated Financial Statements.

GCX LIMITED

Rory Cole	Rodney Riley
Chief Financial Officer	Director
Place: Mumbai	Place: London
Date: July 19, 2016	Date: July 19, 2016

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Comprehensive Income

Particulars	Notes	For the year ended March 31, 2016	For the year ended March 31, 2015
REVENUE			
Service revenue	16	464,238,147	483,027,253
Other income	17	8,894,015	3,417,609
Total Revenue		**473,132,162**	**486,444,862**
EXPENSES			
Network operation expenses	18	242,663,613	256,199,221
Employee cost	19	64,365,598	67,922,446
Depreciation and Amortisation	4,6	90,549,658	87,935,006
Other expenses	20	32,445,933	37,773,470
Total Expenses		**430,024,802**	**449,830,143**
Operating profit		**43,107,360**	**36,614,719**
Finance income	21	18,322	71,183
Finance costs	21	(29,168,752)	(24,357,370)
Finance cost, net		**(29,150,430)**	**(24,286,187)**
Loss on Foreign Currency Fluctuation (net)		(2,025,880)	(860,314)
Profit before income tax		**11,931,050**	**11,468,218**
Income tax credit (net of excess provision relating to earlier years US$ 12,738,119)	22	8,878,819	2,793,738
Net profit for the year		**20,809,869**	**14,261,956**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Currency translation differences	9	(5,851,446)	(19,267,706)
Total other comprehensive income for the year		**(5,851,446)**	**(19,267,706)**
Total comprehensive income for the year		**14,958,423**	**(5,005,750)**

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

GCX Limited –Consolidated Financial Statements

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statements of Financial Position

Particulars	Notes	For the year ended March 31, 2016	For the year ended March 31, 2015
Net Profit attributable to:			
Owners of GCX Group		20,797,176	13,561,271
Non-controlling interest		12,693	700,685
Total Net Profit		20,809,869	14,261,956
Total comprehensive income attributable to:			
Owners of GCX Group		14,945,730	(5,706,435)
Non-controlling interest		12,693	700,686
Total comprehensive income		**14,958,423**	**(5,005,750)**
Earnings per share of profit attributable to the owners of GCX Group	25	0.09	0.06

GCX LIMITED

Rory Cole
Chief Financial Officer
Place: Mumbai
Date: July 19, 2016

Rodney Riley
Director
Place: London
Date: July 19, 2016

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Cash Flows

	Particulars	Notes	For the year ended March 31, 2016	For the year ended March 31, 2015
(A)	**CASH FLOW FROM OPERATING ACTIVITIES:**			
	Profit before taxation		11,931,050	11,468,218
	Adjustments for:			
	Depreciation and Amortisation	4,6	90,549,658	87,935,006
	Liabilities written back to the extent no longer required	17	(3,101,659)	(2,303,638)
	Gain on cancellation of finance lease liability	17	(294,222)	(1,016,067)
	Finance Income	21	(18,322)	(71,183)
	Finance cost	21	29,168,752	24,357,370
	Operating Profit before Working Capital Changes		**128,235,257**	**120,369,706**
	Changes in Working Capital:			
	(Increase) in Trade and Other receivables	7a	(36,426,565)	(13,475,176)
	Decrease / (Increase) in Other Assets	7b	4,153,687	(921,674)
	Increase in Trade and other payables	12	779,677	11,451,565
	(Decrease) in Deferred revenue	13	(42,164,000)	(47,796,778)
	Increase / (Decrease) in Other liabilities	15	1,270,126	(2,086,915)
	Net cash generated from operating activities before income tax		**55,848,182**	**67,540,728**
	Income tax paid (net of refunds received)		(4,626,261)	(1,125,722)
	Net Cash generated from Operating Activities (A)		**51,221,921**	**66,415,006**
(B)	**CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES:**			
	Purchase of property, plant and equipment and intangibles	4,6	(32,310,057)	(268,102,535)
	Financial assistance given to related parties	27h	-	(2,122,759)
	Financial assistance recovered from related parties	27h	-	10,000
	Interest Received	21	18,322	71,183
	Net Cash used in Investing Activities (B)		**(32,291,735)**	**(270,144,111)**
(C)	**CASH FLOW FROM FINANCING ACTIVITIES:**			
	Repayment of Finance Lease Liabilities	10	(1,509,338)	(3,294,979)
	Financial assistance repaid to related parties	27g	-	(40,081,000)

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Cash Flows

Particulars	Notes	For the year ended March 31, 2016	For the year ended March 31, 2015
Proceeds from issue of 7% Senior Secured Notes		-	350,000,000
7% Senior Secured Notes issue expenses paid		-	(10,078,407)
Credit facility charges paid	21	(488,000)	(720,000)
Interest Paid	21	(25,959,144)	(15,061,959)
Net Cash generated from / (used in) Financing Activities (C)		**(27,956,482)**	**280,763,655**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		**(9,026,295)**	**77,034,560**
Foreign currency fluctuation		393,855	1,011,881
Increase in Cash and Cash Equivalents on account of the restructuring		-	13,986,149
Cash and cash equivalents at beginning of the year	8	92,042,580	10,000
Cash and cash equivalents at end of the year	8	83,410,140	92,042,580

The accompanying notes form an integral part of these Consolidated Financial Statements.

Note:

Non-cash transactions:

1) Pursuant to board approval, GCX limited and its subsidiary have declared interim dividend of $15,002,430.

2) In previous year, GCX Limited had issued US$ 213,283,000 shares for purchase of Reliance Globalcom BV's (RGBV) entire holding in Reliance Globalcom Limited (RGL) and Flag Telecom Group Services Limited (FTGSL) for the consideration of US$ 213,271,000 and US$ 12,000, respectively. Eventually, RGBV had transferred its holding in GCX Limited to Global Cloud Xchange Limited (GCXL) in lieu of ordinary share issued by GCXL for an equivalent amount.

3) In previous year, GCX Group had acquired the Hawk cable system from GCXL (who in turn had acquired the same from RGBV) at an agreed value of US$ 350,000,000.

4) In previous year, GCX issued equity shares amounting US$ 126,193,289 to GCXL in part settlement of intercompany balances and acquisition of Hawk Cable System.

GCX LIMITED

Rory Cole
Chief Financial Officer
Place: Mumbai
Date: July 19, 2016

Rodney Riley
Director
Place: London
Date: July 19, 2016

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Changes in Equity

	Attributable to the owners of GCX Group							
	Share capital	Share premium	Retained earnings	Foreign currency translation reserve	Capital reserves	Total	Non-controlling interests	Total equity
Balance as at April 1, 2015	**235,322,790**	**104,163,499**	**81,059,036**	**(53,523,334)**	**72,816,469**	**439,838,460**	**(2,802,226)**	**437,036,234**
Comprehensive income								
Net profit for the year (a)	-	-	20,797,176	-	-	20,797,176	12,693	**20,809,869**
Other comprehensive income								
Foreign currency translation reserve	-	-	-	(5,851,446)	-	(5,851,446)	-	**(5,851,446)**
Total other comprehensive income (b)	-	-	-	(5,851,446)	-	(5,851,446)	-	**(5,851,446)**
Total comprehensive income (a + b)	-	-	**20,797,176**	**(5,851,446)**	-	**14,945,730**	**12,693**	**14,958,423**
Interim dividend declared	-	-	(15,002,430)	-	-	(15,002,430)	2,430	**(15,000,000)**
Balance as at March 31, 2016	**235,322,790**	**104,163,499**	**86,853,782**	**(59,374,780)**	**72,816,469**	**439,781,760**	**(2,787,103)**	**436,994,657**

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

(All amounts are in USD ('US$') unless otherwise stated)

Consolidated Statement of Changes in Equity

	Attributable to the owners of GCX Group								
	Combined capital	Share capital	Share premium	Retained earnings	Foreign currency translation reserve	Capital reserves	Total	Non-controlling interests	Total equity
Balance as at April 1, 2014	286,244,922	-	-	67,749,789	(34,255,628)	-	319,739,083	(3,534,989)	**316,204,094**
Issue of shares	-	235,312,790	104,163,499	-	-	-	339,476,289	-	**339,476,289**
Effect of adjustment pursuant to restructuring exercise	(286,244,922)	10,000	-	-	-	72,842,922	(213,392,000)	-	**(213,392,000)**
Recognition of Non-controlling Interest	-	-	-	(169,891)	-	(37,210)	(207,101)	316,102	**109,001**
Acquisition of non-controlling interest without change in control *	-	-	-	(82,133)	-	10,757	(71,376)	(284,024)	**(355,400)**
Comprehensive income									
Net profit for the year (a)	-	-	-	13,561,271	-	-	13,561,271	700,685	**14,261,956**
Other comprehensive income									
Foreign currency translation reserve	-	-	-	-	(19,267,706)	-	(19,267,706)	-	**(19,267,706)**
Total other comprehensive income (b)	-	-	-	-	(19,267,706)	-	(19,267,706)	-	**(19,267,706)**
Total comprehensive income (a + b)	-	-	-	**13,561,271**	**(19,267,706)**	-	**(5,706,435)**	**700,685**	**(5,005,750)**
Balance as at March 31, 2015	-	**235,322,790**	**104,163,499**	**81,059,036**	**(53,523,334)**	**72,816,469**	**439,838,460**	**(2,802,226)**	**437,036,234**

* **Acquisition of Non-controlling interests**: The Group acquired an additional 0.05% interest in RGL for US$ 355,400 from Lagerwood, increasing its ownership from 99.95% to 99.996%.



Notes to Consolidated Financial Statements

1) General information

GCX Limited ("GCX" or "the Company") was incorporated in Bermuda and is a wholly owned subsidiary of Global Cloud Xchange Limited ('GCXL"). GCX is in the business of providing Data Services Business, it provides an integrated service to its global customers by leveraging assets and capabilities at following levels:

1. Infrastructure layer: Integrating subsea network along with US and Pan European Domestic Fibre network and data centers;

2. Data connectivity layer: Selling bandwidth capacity on Indefeasible Right of Use ("IRU") and lease basis, network connectivity services including Global Ethernet, International Private Line, IP Virtual Private Network; and

3. Cloud layer: Selling data center services including co-location services and data center access.

The customer base for Data Services Business include entities requiring a composite service across the various capabilities or any specific asset or service from the offerings described above. The Data Services Business of GCX Group therefore includes an interwoven portfolio of infrastructure and data centre solutions with sophisticated cloud orchestration capabilities. This includes offering a variety of services which include long-term rights of use in capacity, leased capacity services, managed bandwidth services, Internet Protocol ('IP') transit, international private line, IP point-to-point and virtual private network, co-location services, data centre access, global ethernet, managed network solution services and international telecommunication services between sub continents. The customers include established carriers, major public telephone operator or business entities that require such services.

References in these Consolidated Financial Statements to "we" "group" "GCX Group" or "us" refers to "GCX and its Subsidiaries.

2) Summary of significant accounting policies

Basis of preparation

The consolidated financial statements of Group have been prepared in accordance with International Financial Reporting Standards ('IFRS'), as issued by the International Accounting Standards Board ("IASB"). These financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of Consolidated Financial Statements in accordance with IFRS requires the use of certain critical accounting estimates and judgements. It also requires management to exercise judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Consolidated Financial Statements are disclosed in note 3.

All assets and liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in IAS 1. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, operating cycle has been ascertained as 12 months for the purpose of current – non-current classification of assets and liabilities.



Going Concern:

As at March 31, 2016 and March 31, 2015, the GCX Group's current liabilities exceed its current assets by US$ 43,607,280 and US$ Nil respectively. This is mainly on account of current portion of deferred revenue being classified as current liability which represents obligation to provide future services against up-front cash received by the GCX Group.

The Directors of GCX have prepared these Consolidated Financial Statements on a going concern basis as the GCX Group has earned significant cash profits for the years ended March 31, 2016. Further, in accordance with the overall business plan, the GCX Group has significant unutilized capacity against which it expects to generate sufficient cash in future to be able to meet its obligations as and when they fall due.

2.1 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities, if any) over which GCX Group has control. GCX Group controls an entity when GCX Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is deemed to be transferred to GCX Group. They are deconsolidated from the date that control ceases.

GCX Group consolidates Seoul Telenet Inc. and FLAG Holdings (Taiwan) Limited as it exercises control over ownership and/or composition of Board of Directors.

GCX Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by GCX Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. GCX Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in Statement of Comprehensive Income.

Any contingent consideration to be transferred by GCX Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in Statement of Comprehensive Income or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.



Business combinations between entities under common control is outside the scope of IFRS 3 (Revised) Business Combinations, and is accounted for using predecessor accounting method. The predecessor accounting method requires the financial statements to be prepared using predecessor book values without any step up to fair value. There will likely be a difference between any consideration given and the aggregate book value of the assets and liabilities (as of the date of the transaction) of the acquired entity. This difference is recorded as an adjustment to equity. This may be recorded in retained earnings or as a separate reserve. No additional goodwill is created by the transaction.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the Consolidated Statement of Comprehensive Income.

If an entity acquires an asset or a group of assets, including any liabilities assumed, that does not constitute a business, then the transaction is outside the scope of IFRS 3 because it cannot meet the definition of a business combination. Such transactions are accounted for as asset acquisitions in which the cost of acquisition is allocated between the individual identifiable assets and liabilities in the group based on their relative fair values at the acquisition date.

Inter-company transactions, balances and unrealised gains on transactions between GCX Group are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by GCX Group.

(b) Transactions with non-controlling interests

GCX Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of GCX Group. For purchases from non-controlling interests, the difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. The share of non-controlling interest is restricted to the extent of contractual obligation of GCX Group.

(c) Disposal of subsidiaries

When GCX Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if GCX Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to statement of comprehensive income.



Notes to Consolidated Financial Statements

(d) List of subsidiaries

The following table sets out the subsidiaries considered in the Consolidated Financial Statements as part of GCX Group:

	Name of entity	Country of incorporation*	Percentage of Ownership Interest as at March 31, 2016	Percentage of Ownership Interest as at March 31, 2015
1.	Reliance Globalcom Limited(including representative office in Thailand, Dubai and Bahrain)**	Bermuda	99.996%	99.996%
2.	FLAG Telecom Development Limited	Bermuda	99.996%	99.996%
3.	FLAG Telecom Development Services Company LLC	Egypt	99.996%	99.996%
4.	Reliance FLAG Atlantic France SAS	France	99.996%	99.996%
5.	FLAG Telecom Deutschland GmbH	Germany	99.996%	99.996%
6.	FLAG Telecom Hellas AE	Greece	99.996%	99.996%
7.	FLAG Telecom Asia Limited (including Representative offices in China)	Hong Kong	99.996%	99.996%
8.	FLAG Telecom Network Services Limited	Ireland	99.996%	99.996%
9.	Reliance FLAG Telecom Ireland Limited (including liaison office in Turkey)	Ireland	99.996%	99.996%
10.	FLAG Telecom Ireland Network Limited	Ireland	99.996%	99.996%
11.	FLAG Telecom Japan Limited	Japan	99.996%	99.996%
12.	FLAG Telecom Netherland BV	Netherlands	99.996%	99.996%
13.	FLAG Telecom Singapore Pte. Limited	Singapore	99.996%	99.996%
14.	FLAG Telecom Espana Network SAU	Spain	99.996%	99.996%
15.	FLAG Telecom Taiwan Limited	Taiwan	59.998%	59.998%
16.	Reliance Globalcom (U.K.) Limited	United Kingdom	99.996%	99.996%
17.	FLAG Atlantic UK Limited	United Kingdom	99.996%	99.996%
18.	FLAG Telecom Network USA Limited	USA	99.996%	99.996%
19.	Seoul Telenet Inc.** (Refer Note 2.1(a))	Korea	48.998%	48.998%
20.	FLAG Holdings (Taiwan) Limited** (Refer Note 2.1(a))	Taiwan	49.998%	49.998%
21.	FLAG Telecom Group Services Limited	Bermuda	100%	100%
22.	Reliance Vanco Group Limited ("Vanco")	England	100%	100%
23.	Vanco UK Limited	England	100%	100%
24.	Vanco Global Limited	England	100%	100%



	Name of entity	Country of incorporation*	Percentage of Ownership Interest as at March 31, 2016	Percentage of Ownership Interest as at March 31, 2015
25.	Vanco ROW Limited	England	100%	100%
26.	Vanco International Limited	England	100%	100%
27.	Vanco Switzerland A.G.	Switzerland	100%	100%
28.	VNO Direct Limited	England	100%	100%
29.	Vanco US LLC	USA	100%	100%
30.	Vanco Solutions Inc	USA	100%	100%
31.	Vanco BV	Netherlands	100%	100%
32.	Vanco Benelux BV	Netherlands	100%	100%
33.	Vanco Gmbh	Germany	100%	100%
34.	Vanco Deutschland Gmbh	Germany	100%	100%
35.	Vanco SAS	France	100%	100%
36.	Vanco NV	Belgium	100%	100%
37.	Vanco Srl	Italy	100%	100%
38.	Euronet Spain SA	Spain	100%	100%
39.	Vanco Euronet Sp Zoo	Poland	100%	100%
40.	Vanco Sweden AB	Sweden	100%	100%
41.	Vanco South America Ltda	Brazil	100%	100%
42.	Vanco Australasia Pty Limited	Australia	100%	100%
43.	Vanco Asia Pacific PTE Limited	Singapore	100%	100%
44.	Vanco (Shanghai) Co. Limited	China	100%	100%
45.	Vanco Japan KK	Japan	100%	100%
46.	Net Direct SA (Proprietary) Limited (under liquidation)	South Africa	100%	100%
47.	Yipes Holdings Inc ("Yipes")	USA	100%	100%
48.	Reliance Globalcom Services Inc	USA	100%	100%
49.	Reliance Globalcom Limited	India	100%	100%
50.	YTV Inc.	USA	100%	100%

*It is impracticable to determine the principal place of business of the subsidiaries referred above (Refer note 26).

**Non-controlling interests are not considered to be material for the purposes of these Consolidated Financial Statements and accordingly, the disclosures relating to non-controlling interests have not been given.



2.2 Foreign currency

(a) Functional and presentation currency

Items included in the financial statements of each of GCX Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in 'US$', which is the presentation currency of GCX Group. The functional currency of subsidiaries within GCX Group include US$, GBP and other currencies.

(b) Transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation, at the exchange rates prevailing at reporting date, of monetary assets and liabilities denominated in foreign currencies, are recognised in net profit in the Consolidated Statement of Comprehensive Income and presented within Gain/ (Loss) on Foreign Currency fluctuation (net).

(c) Group companies

The results and financial position of all GCX Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. assets and liabilities for each Consolidated Statement of Financial Position presented are translated at the closing rate at the date of that Consolidated Statement of Financial Position;

ii. income and expenses for each Consolidated Statement of Comprehensive Income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

iii. all resulting exchange differences are recognised in Other Comprehensive Income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in Other Comprehensive Income.

(d) Net investment in subsidiaries

The net investment in subsidiaries that have a currency other than the US$ includes the participation in the net assets of these subsidiaries, and, if applicable, loans to these subsidiaries, settlement of which is neither planned nor expected to occur in the foreseeable future. Translation differences that occur upon consolidation, relating to the translation of the net investment in subsidiaries that have a currency other than the US$, are recognized in other comprehensive income and presented in the foreign currency translation reserve, a separate component within equity.



2.3 Property, plant and equipment

Recognition and measurement

Property, plant and equipment consists of network assets, leasehold improvements, computers and office equipment, vehicles, furniture and fittings, and capital work in-progress ("CWIP").

Property, plant and equipment are stated at cost, net of accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets and includes the projected cost of dismantlement, removal or restoration (note 2.4) if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purposes other than to produce inventories.

Subsequent expenditure

Subsequent costs are included in the asset's 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 GCX Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Consolidated Statement of Comprehensive Income during the financial period in which they are incurred.

Depreciation

Depreciation on all assets is calculated so as to write-down the cost of property, plant and equipment to its residual value over its estimated useful life. Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the property, plant and equipment as follows:

Network assets.....the shorter of 15 to 25 years or remaining useful lives
Dark fibre.....15 to 25 years
Leasehold improvements.....the shorter of actual useful life or lease term
Computers and office equipment.....3 to 6 years
Vehicles.....5 years
Furniture and fittings.....3 to 7 years

Network assets include fibre-optic subsea cable networks and terrestrial metro ethernet network. The cost of network assets include cost incurred towards construction of cable systems, subsequent cost incurred for up gradation of network systems and cost of its dismantlement, removal or restoration (note 2.4), the obligation for which an entity incurs as a consequence of installing the item.

The estimated useful lives of cable systems which are part of network assets are determined based on the estimated period over which they will generate revenue. Depreciation on any capitalisation due to modifications, improvements of the assets is restricted to the remaining useful life of the fixed asset.



Capital work in Progress

Costs incurred prior to the capital project's completion are reflected as capital-work-in-progress, which is reclassified to property, plant and equipment at the date the project is complete. Capital-work-in-progress is stated at cost.

2.4 Asset retirement obligation

The cost of property, plant and equipment also includes, where applicable, costs of its dismantlement, removal or restoration, the obligation for which an entity incurs as a consequence of installing the item. This liability is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration of time value. A corresponding liability is created for the amount recognised by discounting the obligation to the date of the Consolidated Statement of Financial Position with a risk free interest rate. Subsequent changes in the asset retirement obligation due to change in the estimated timing, amount of the outflow of resources embodying economic benefits required to settle the obligation or change in the discount rate are adjusted in the cost of the related asset prospectively, surplus if any is credited to the Statement of Comprehensive Income and changes due to periodic unwinding of the discount are recognised in the Statement of Comprehensive Income as a finance cost as it occurs. This finance cost is not capitalised as a part of borrowing cost.

The asset retirement obligation is amortised over the useful life of the asset for which the obligation has been created.

2.5 Intangible Assets

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of consideration transferred over GCX Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating unit (CGU) that is expected to benefit from the synergies of the combination. The CGU to which goodwill is allocated represents the lowest level within the entity at which goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Indefeasible Right of Use (IRU)

IRU are amortised over their estimated useful lives of 5 to 25 years on straight line basis. The estimated useful life of IRUs is based on the contractual terms of the respective contracts. IRU includes access charges.



Software and Licences

Acquired computer software licences are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives of 3 to 5 years.

Costs that are directly associated with the production of identifiable and unique software products controlled by GCX Group and that will probably generate economic benefits exceeding costs beyond 1 year, are recognized as intangible assets. Direct costs include the costs of software development employees and an appropriate portion of relevant overheads.

Computer software development costs recognized as intangible assets and are amortized over their estimated useful lives, not exceeding 5 years.

Other Intangible Assets

Other intangible assets comprise of customer relationships, intellectual property, trade names and trademarks, and building access rights, which are acquired in a business combination and are recognised at fair value at the acquisition date. They have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the estimated useful lives of the assets which are as follows:

Customer relationships.....3 - 7 years

Intellectual property.....7 years

Trade names and trademarks.....5 years

Building access rights.....5 years

2.6 Impairment of non-financial assets

Intangible assets with definite life and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying values may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. For this purpose, the fair value less cost to sell and value-in-use are determined in functional currency of the respective CGU.

If such assets are considered to be impaired, the impairment to be recognised in net profit in the Consolidated Statement of Comprehensive Income is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.



2.7 Non-derivative financial instruments

(a) Classification

Financial assets

GCX Group classifies its financial assets in the following categories as: loans and receivables and available for sale. The classification depends on the purpose and intention for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period which are classified as non-current assets. GCX Group's loans and receivables comprise 'trade and other receivables', financial assistance to related parties, cash and bank deposits in the Consolidated Statement of Financial Position.

(ii) Available for sale

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified either as fair value through statement of Comprehensive Income or as loans and receivables. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Financial liabilities

GCX Group classifies its non-derivative financial liabilities to the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Offsetting of financial instruments

Financial assets and liabilities are offset against each other and the resultant net amount is presented in the Consolidated Statement of Financial Position when, and only when, GCX Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the assets and settle the liability simultaneously.

(b) Recognition, measurement and derecognition

Financial assets and liabilities are recognised in the Consolidated Statement of Financial Position at the date when GCX Group becomes a party to the contractual provisions of the financial instruments. Regular way purchases and sales, if any, of financial assets are recognised on the trade-date, the date on which GCX Group commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and GCX Group has transferred substantially all risks and rewards of ownership. Available for sale financial assets are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost, using the effective interest method.



Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the ' Consolidated Statement of Comprehensive Income as 'gains and losses from investment securities'. Dividends on available-for-sale financial assets are recognised in the Consolidated Statement of Comprehensive Income as part of finance income when GCX Group's right to receive payments is established.

2.8 Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value. They are subsequently measured at amortised cost (net of allowance for impairment) using the effective interest method, if the effect of discounting is considered material.

2.9 Cash and cash equivalents

In the Consolidated statements of cash flows, cash and cash equivalents includes cash in hand, bank balances and deposits, other short-term highly liquid investments with original maturities of three months or less and that are readily convertible to known amount of cash and cash equivalent and bank overdrafts (used for cash management purposes). In the Consolidated Statement of Financial Position, bank overdrafts, if any, are shown as part of borrowings under current liabilities.

Cash and claims to cash that are restricted as to withdrawal or use in the ordinary course of business are disclosed separately as restricted cash, unless they are meant to be utilised for other than current operations, in which case they will be separately presented as restricted deposits under non-current assets.

2.10 Impairment of financial assets

GCX Group assesses at each Consolidated Statement of Financial Position date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.



(a) Assets carried at amortised cost

For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

Evidence of impairment may include indications that the debtors or group of debtors experiencing significant financial difficulty, default or delinquencies in interest or principal payments, the probability that they will enter bankruptcy or any financial reorganisation, whether the observable data indicate that there is a measurable decrease in the estimated future cash flows, such as change in arrears or economic conditions that collateral with defaults.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

(b) Assets classified as available for sale

Significant or prolonged decline in the fair value of the security below its cost and the disappearance of an active trading market for the security are objective evidence that the security is impaired. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its fair value and is recognised in net profit in the Consolidated Statement of Comprehensive Income. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. If, in a subsequent period, the fair value of an instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the Consolidated Statement of Comprehensive Income.

2.11 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in net profit in the Consolidated Statement of Comprehensive Income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless GCX Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of position date. If not, they are presented under non-current borrowings.



2.12 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified under current liabilities if payment is due within one year or less. If not, they are presented under non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using effective interest rate method

2.13 Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

2.14 Current and deferred income tax

The tax expense comprises of current and deferred income tax. Income tax is recognised in net profit in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In that case, the income tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Consolidated Statement of Financial Position date in the respective countries where GCX Group operates and generates taxable income.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the Consolidated Financial Statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Consolidated Statement of Financial Position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liability is provided on temporary differences arising on investment in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by GCX Group and it is probable that the temporary difference will not reverse in the foreseeable future.



Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net or simultaneous basis.

The effect on deferred income tax assets and liabilities of a change in tax rates is recognised in net profit in the Consolidated Statement of Comprehensive Income in the year of change.

2.15 Revenue recognition

GCX Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of GCX Group's activities as described below. Revenue is measured at the fair value of the consideration receivable and represents amount receivable for services rendered, net of taxes, expected price reductions and rebates. GCX Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

In revenue arrangements including more than one deliverable, the arrangements are divided into separate units of accounting. Deliverables are considered separate units of accounting if the following two conditions are met: (1) the deliverable has value to the customer on a stand-alone basis and (2) there is evidence of the fair value of the item. The arrangement consideration is allocated to each separate unit of accounting based on its relative fair value.

Bandwidth capacity

GCX Group sells Bandwidth capacity that provide customers with network capacity, typically over a 10 to 15 year period without transferring the legal title or giving an option to purchase the network assets. Capacity service revenues are recognised in GCX Group's Consolidated Statement of Comprehensive Income on a straight line basis over the life of the contract.

Operations and Maintenance charges

GCX Group provides operation and maintenance services over the life of the capacity contract, for which GCX Group receives operation and maintenance charges. Operation and maintenance charges are invoiced separately from capacity sales. Revenues relating to maintenance are recognised over the period in which the service is provided.

International Private Leased Circuits and others

International Private Leased Circuits include lease capacity services and restoration service for other network operators. The customer typically pays the charges for these services periodically over the life of the contract, which may be up to three years. Revenue is recognised in GCX Group's Consolidated Statement of Comprehensive Income over the term of the contract.

Internet Protocol

GCX Group recognises internet protocol (including Ethernet) revenue over the term of the contract. Fees related to activation of services are deferred and recognised over the expected term of the related service agreement.



Managed Network Services

A network contract typically covers the design, supply and installation of the network and provision of packaged network solutions. Revenue relating to the initial part of the contract is determined by the value of the component elements represented by the equipment installed and time expended on this element of the contract and is recognised over the contract implementation period. The remainder of the contract value covering provisions of packaged network solutions is recognised evenly over the period of contract.

Interest income

Interest income is recognised using the effective interest method.

Dividend income

Dividend income is recognised when GCX Group's right to receive dividend is established.

2.16 Deferred revenue

Deferred revenue represents income billed in accordance with the contract but not recognised in Statement of Comprehensive Income as at the Balance Sheet date. Deferred revenue net of the amount recognisable within one year is disclosed as deferred revenue in non-current liabilities and the amount recognisable within one year is disclosed as deferred revenue in current liabilities.

2.16 Accrued income

Where the services are performed prior to billing, an accrued income is recognized in trade and other receivables.

2.17 Employee benefits

Eligible employees of GCX Group are covered by defined contribution pension plan. Contribution to the plan is generally based on each employee's eligible compensation and years of service and is based on the local regulations. The schemes are funded through payments to insurance companies as defined contribution plans. In some defined contribution retirement plan, eligible employees may contribute amounts to the plan, via payroll withholding, subject to certain limitations.

Contributions are made to employees personal pension schemes and the costs are charged to the Consolidated Statement of Comprehensive Income when incurred.

There are no other material employee benefit plans and schemes in GCX Group.

2.18 Share based payment

RGL operates a share-based compensation plan (initially through a Trust - special purpose entity), under which the entity receives services from employees and the entity settles the transaction by issuing units of the Trust wherein each unit is equivalent to an equity share of RGL. Subsequently, the employee has an option to sell the shares to the Trust at fair value during the course of their employment with RGL.



GCX Group has accounted for the share based payment transaction as compound with a cash settled option and an equity settled option with successful IPO as non-market vesting condition.

With respect to the cash settled plan, the fair value of the services received is measured by reference to the fair value of shares at date of the grant and then subsequently at each reporting date. The expense is recognised over the period that the services are received, which is the vesting period. Initially, the expense is charged to the Consolidated Statement of Comprehensive Income with creating a corresponding liability for the same. The liability is reassessed at each Consolidated Statement of Financial Position date with the movement being recorded as a charge/ (credit) in the profit or loss.

With respect to the equity settled plan, GCX Group receives the services from employees as consideration for equity instruments (options) of RGL. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense in the Statement of Comprehensive Income over the vesting period considering a graded vesting schedule. The total amount of expense is determined by reference to the fair value of the options granted. It is recognised as an employee benefit expense in the Statement of Comprehensive Income with a corresponding credit to equity. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each reporting period, GCX Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognised the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

2.19 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to net profit in the Consolidated Statement of Comprehensive Income on a straight line basis over the period of the lease.

Leases of property, plant and equipment where GCX Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in borrowings. The interest element of the finance cost is charged to the Consolidated Statement of Comprehensive Income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.



2.20 Borrowing cost

Borrowing costs are recognised in the Statement of Comprehensive Income using the effective interest method except for those costs on borrowings that are directly attributable to the acquisition or construction of assets which take a substantial period of time to get ready for their intended use, In such a case, borrowing costs are capitalised and recorded in the costs of the assets. Capitalisation of borrowing costs commence when the capital expenditure and borrowing costs are incurred. The capitalisation of the borrowing costs is ceased when the asset under acquisition or construction is ready for the intended use. If the acquisition or construction of an asset is interrupted abnormally for more than 3 months, the capitalisation of the borrowing costs is suspended till such activities resume.

For specific borrowings obtained for the acquisition or construction of an asset eligible for capitalisation, the capitalised amount of interests is determined based on the interest expense incurred after deducting any interest income earned from the deposits or investment income from the temporary investment funded by the unused borrowing balance.

For general borrowings used for acquisition or construction of an asset eligible for capitalisation, the capitalised interest is determined by multiplying the weighted average excess of accumulated capital expenditure over specific borrowings by the capitalisation rate of such general borrowings. The capitalisation rate is determined according to the weighted average interest rate of the general borrowings.

2.21 Dividends

Dividend to ordinary shareholders is recognised as a liability in the period in which the dividends are approved by the ordinary shareholders. Interim dividends that are declared by the Board of Directors without the need for ordinary shareholders' approval are recognised as a liability and deducted from shareholders' equity in the year in which the dividends are declared by the Board of Directors.

3) Critical accounting estimates and judgements

Estimates and judgements are continuously evaluated by GCX Group and are based on historical experience and various other assumptions and factors (including expectations of future events); that GCX Group believes to be reasonable under the existing circumstances.

Significant estimates relied upon in preparing these Consolidated Financial Statements include fair valuation of financial instruments on initial recognition, useful lives and residual value of property, plant and equipment and intangible assets, revenue recognition, allowances for impairment of trade receivables, identification and measurement of unrecognised income tax benefit, expected future cash flows used to evaluate the recoverability of property, plant and equipment, goodwill and intangible assets, contingent liabilities, employee share based compensation expense and asset retirement obligations.

Although GCX Group regularly assesses these estimates at each Consolidated Statement of Financial Position date, actual results could differ materially from these estimates. Changes in estimates are recorded in the year in which they become known.



The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets, liabilities, income and expenses within the next financial year are discussed below:

Critical accounting estimates

i. Useful life and residual value of property, plant and equipment and intangible assets

The useful lives of assets are based on management's judgement of the expected life of those assets. Management considers the impact of changes in technology, customer service requirements, availability of capital funding and required return on assets and equity to determine optimum useful life expectation for each of the individual items of property, plant and equipment and Intangible assets. Due to the rapid technological advancement in the telecommunications industry, the estimation of useful lives could differ significantly on an annual basis

The estimation of residual values of assets is also based on management's judgement that the assets will be sold and what their condition will be at the time.

We expect that five-year increase or decrease in the estimated useful lives of network assets (which accounts for more than 94% of total plant, property and equipment) would result in a decrease or increase to depreciation expense, respectively in the range of US$ 25 to 26 million approximately.

The carrying values of property, plant and equipment and intangible assets are disclosed in notes 4 and 6, respectively.

ii. Asset retirement obligation

The provision for future obligations for decommissioning of network assets is based on management's assessment of the obligation (legal or constructive) associated with the decommissioning of the assets and long-term cash flow forecasts of estimated future costs. Significant judgement is involved in assessing whether the Group has an obligation given there are network assets in various jurisdictions and international waters.

The main assumptions applied in estimating the provisions are technical plans, timing, cost estimates and discount rate. Any changes in the assumed discounting rate or expected composition/cash flow would affect the provision. If the discount rate used would be lowered, the provision would increase (Refer note no 14).

iii. Allowance for impairment of trade receivables

GCX Group makes provision for estimated losses that result from the failure of debtors to make required payments which is overdue for more than normal credit period. GCX Group has taken in consideration the probability of recoverability based on past experience, current collection trends and general economic factors for determining the amount of allowance. Credit risks are assessed based on historical write-offs, net of recoveries, and an analysis of the aged accounts receivable balances with reserves, generally increasing as the receivable ages. Accounts receivable may be



fully reserved for when specific collection issues are known to exist. The analysis of receivable is performed periodically and the allowance of doubtful accounts are adjusted accordingly (Refer note 2.8, 2.10,7 and 24(b)).

iv. Goodwill impairment

For goodwill impairment testing, if events or changes in circumstances indicate a potential impairment, as part of the review process, the carrying amount of the CGUs (including allocated goodwill) is compared with its recoverable amount by GCX Group. The recoverable amount is the higher of fair value less costs to sell and value in use, both of which are calculated by the GCX Group using a discounted cash flow analysis.

Calculating the future net cash flows expected to be generated to determine if impairment exists and to calculate the impairment involves significant assumptions, estimation and judgement. The estimation and judgement involves, but is not limited to, industry trends including pricing, estimating long-term revenues, revenue growth, operating expenses and capital expenditures.

The Directors of GCX Group do not consider there to be any reasonably possible changes in key assumptions that would lead to an impairment loss and consequently no sensitivity analysis has been presented.

v. Impairment of customer relationships

GCX Group considers its impairment accounting policy to be a policy that requires one of the most extensive applications of judgements and estimates by management. Intangible assets with define useful lives are subject to amortisation are reviewed to determine whether there is any indication that the carrying value of these assets may not be recoverable and have suffered an impairment loss. If any such indication exists, the recoverable amounts of the intangible assets are estimated in order to determine the extent of the impairment loss, if any. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Such impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

Management judgement is required in the area of intangible asset impairment, particularly in assessing: (1) whether an event has occurred that may indicate that the related asset values may not be recoverable; (2) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs to sell or net present value of future cash flows which are estimated based upon the continued use of the asset in GCX Group.



Judgement in applying accounting policies

vi. Income tax

a) Current income tax

GCX Group is subject to income tax in a number of jurisdictions. Significant judgement is required in determining provision for income tax including the judgement on whether tax positions are probable of being sustained in income tax assessments. There are many transactions and calculations for which the ultimate income tax determination is uncertain during the ordinary course of business. GCX Group recognises liabilities for anticipated income tax issues based on estimates of whether additional taxes will be due. Where the final income tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made. (Refer note 2.14 and 22)

Management evaluates positions taken in income tax returns with respect to situations in which applicable income tax regulation is subject to interpretation. The income tax liabilities are recognised when it is more likely than not, that certain tax positions may not be fully sustained upon review by income tax authorities. GCX Group's management believes that the final tax outcome of these positions can differ from those initially recognised when reviews or audits by tax authorities of tax returns are completed. Benefits from tax positions are measured at the single best estimate of the most likely outcome. At each Consolidated Statement of Financial Position date, the tax positions are reviewed, and to the extent that new information becomes available which causes GCX Group to change its judgement regarding the adequacy of existing income tax liabilities, such changes to income tax liabilities are duly recognised in income tax expense in the year in which such determination is made. Interest and penalties, if any, related to accrued liabilities for potential tax assessments are included in income tax expense. (Refer note 2.14 and 22).

b) Deferred income tax

Deferred income tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying values, at the rates that have been enacted or substantively enacted. The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and income tax loss carry-forward become deductible. GCX Group considers the expected /scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. The amount of the deferred income tax assets considered realisable, however, could be reduced/ increased in the near term if the said estimates undergo a change. (Refer note 2.14 and 22).



4) Property, plant and equipment

Particulars	Leasehold improvements	Network Assets	Others*	On Lease: Vehicles	On Lease: Dark Fiber	Total
Gross carrying value						
As at April 1, 2015	**9,536,635**	**1,686,710,344**	**20,800,752**	**178,530**	**42,802,036**	**1,760,028,297**
Additions	15,812	15,597,646	92,201	27,271	-	15,732,930
Transfer from CWIP	-	1,969,108	103,468	-	-	2,072,576
Disposals/discarded	-	(2,657,518)	-	-	(4,995,103)	(7,652,621)
Exchange differences	(425,747)	(75,129)	121,911	-	-	(378,965)
As at March 31, 2016	**9,126,700**	**1,701,544,451**	**21,118,332**	**205,801**	**37,806,933**	**1,769,802,217**
Accumulated depreciation						
As at April 1, 2015	**9,051,691**	**668,585,047**	**19,660,755**	**161,998**	**18,274,188**	**715,733,679**
Depreciation for the year	231,247	67,879,051	533,941	16,269	2,353,562	71,014,070
Disposals/ adjustments	-	(2,220,091)	-	-	(1,887,035)	(4,107,126)
Exchange differences	(433,164)	(46,172)	104,121	-	-	(375,215)
As at March 31, 2016	**8,849,774**	**734,197,835**	**20,298,817**	**178,267**	**18,740,715**	**782,265,408**
Closing net carrying value as at March 31, 2016	**276,926**	**967,346,616**	**819,515**	**27,534**	**19,066,218**	**987,536,809**
Gross carrying value as at March 31, 2016	9,126,700	1,701,544,451	21,118,332	205,801	37,806,933	1,769,802,217
Accumulated depreciation	8,849,774	734,197,835	20,298,817	178,267	18,740,715	782,265,408
Closing net carrying value as at March 31, 2016	**276,926**	**967,346,616**	**819,515**	**27,534**	**19,066,218**	**987,536,809**

*Others include: Furniture and fittings, Computers and office equipment and Vehicles.

There are no hypothecation/pledge of any of the property, plant and equipment.

During the year, the Company has reviewed the current condition of its network equipment and based on the outcome of technical assessment, the Company extended estimated useful lives of some of its network equipment from 15 years to 25 years which form part of network assets, which resulted in reduction of depreciation expenses by US$ 12,209,567 for the year.



Particulars	Leasehold improvements	Network Assets	Others*	On Lease: Vehicles	On Lease: Dark Fiber	Total
Gross carrying value						
As at March 31, 2014	**14,565,427**	**1,346,972,525**	**32,443,243**	**178,530**	**75,677,336**	**1,469,837,061**
Additions**	335,838	357,860,578	1,321,342	-	-	359,517,758
Transfer from Intangible***	-	7,880,328	-	-	-	7,880,328
Transfer from CWIP	-	14,641,640	-	-	-	14,641,640
Disposals/discarded	(4,768,086)	(2,261,774)	(11,159,462)	-	(32,875,300)	(51,064,622)
Reduction in asset retirement obligation	-	(38,131,399)	-	-	-	(38,131,399)
Exchange differences	(596,544)	(251,554)	(1,804,371)	-	-	(2,652,469)
As at March 31, 2015	**9,536,635**	**1,686,710,344**	**20,800,752**	**178,530**	**42,802,036**	**1,760,028,297**
Accumulated depreciation						
As at March 31, 2014	**14,190,862**	**584,603,708**	**32,088,897**	**153,304**	**24,314,210**	**655,350,981**
Depreciation for the year	198,799	52,992,316	437,866	8,694	4,211,596	57,849,271
Disposals/ adjustments	(4,768,086)	(845,304)	(11,159,462)	-	(10,251,618)	(27,024,470)
Reduction in asset retirement obligation	-	32,083,205	-	-	-	32,083,205
Exchange differences	(569,884)	(248,878)	(1,706,546)	-	-	(2,525,308)
As at March 31, 2015	**9,051,691**	**668,585,047**	**19,660,755**	**161,998**	**18,274,188**	**715,733,679**
Closing net carrying value as at March 31, 2015	**484,944**	**1,018,125,297**	**1,139,997**	**16,532**	**24,527,848**	**1,044,294,618**
Gross carrying value as at March 31, 2015	9,536,635	1,686,710,344	20,800,752	178,530	42,802,036	1,760,028,297
Accumulated depreciation	9,051,691	668,585,047	19,660,755	161,998	18,274,188	715,733,679
Closing net carrying value as at March 31, 2015	**484,944**	**1,018,125,297**	**1,139,997**	**16,532**	**24,527,848**	**1,044,294,618**

* Others include: Furniture and fittings, Computers and office equipment and Vehicles.

** Addition to network assets includes purchase of standalone Subsea cable system ("Hawk") for US$ 350,000,000.

*** Addition / adjustment to network assets includes adjustment on account of reclassification between tangible and intangible asset amounting to US$ 7,880,328 in Gross carrying value and US$774,021 in accumulated depreciation/amortisation.

There are no hypothecation/pledge of any of the property, plant and equipment.

Price Waterhouse Chartered Accountants FRN 301112E Mumbai

5) Capital Work in Progress

Particulars	2016	2015
As at April 1	**7,513,951**	**8,366,860**
Additions during the year	16,535,838	13,788,731
Capitalised during the year:		
Property, plant and equipment (Refer note 4)	(2,072,576)	(14,641,640)
Intangible Assets (Refer note 6)	(3,158,482)	-
As at March 31	**18,818,731**	**7,513,951**

Capital work in progress comprises mainly cost incurred for network assets and capital advances for network assets and IRUs.



6) Intangible assets

Particulars	Customer relationships	Indefeasible Right of Connectivity	Goodwill	Intellectual property*	Others**	Total
Gross carrying value						
As at April 1, 2015	**123,093,817**	**271,954,797**	**265,377,081**	**32,000,000**	**12,122,345**	**704,548,040**
Transfer from CWIP	-	1,772,501	-	-	1,385,981	3,158,482
Exchange differences	48,616	63,817	(5,221,966)	-	(70,997)	(5,180,530)
As at March 31, 2016	**123,142,433**	**273,791,115**	**260,155,115**	**32,000,000**	**13,437,329**	**702,525,992**
Accumulated Amortisation						
As at April 1, 2015	**121,605,581**	**142,967,848**	**-**	**32,000,000**	**12,122,345**	**308,695,774**
Amortisation for the period	1,524,421	17,986,804	-	-	24,363	19,535,588
Exchange differences	12,431	63,817	-	-	(71,001)	5,247
As at March 31, 2016	**123,142,433**	**161,018,469**	**-**	**32,000,000**	**12,075,707**	**328,236,609**
Closing net carrying value as at March 31, 2016	**-**	**112,772,646**	**260,155,115**	**-**	**1,361,622**	**374,289,383**
Gross carrying value as at March 31, 2016	123,142,433	273,791,115	260,155,115	32,000,000	13,437,329	702,525,992
Accumulated depreciation	123,142,433	161,018,469		32,000,000	12,075,707	328,236,609
Closing net carrying value as at March 31, 2016	**-**	**112,772,646**	**260,155,115**	**-**	**1,361,622**	**374,289,383**

* Intellectual property pertains to technology and related know-how in relation to Yipes processes and patents.

** Others includes: Building access rights, Trade names and trademarks and Software and licences.



Particulars	Customer relationships	Indefeasible Right of Connectivity	Goodwill	Intellectual property*	Others**	Total
Gross carrying value						
As at March 31, 2014	124,351,905	280,198,483	284,076,869	32,000,000	12,412,476	733,039,733
Additions	-	-	-	-	-	-
Transfer to Network assets	-	(7,880,328)	-	-	-	(7,880,328)
Exchange differences	(1,258,088)	(363,358)	(18,699,788)	-	(290,131)	(20,611,365)
As at March 31, 2015	**123,093,817**	**271,954,797**	**265,377,081**	**32,000,000**	**12,122,345**	**704,548,040**
Accumulated Amortisation						
As at March 31, 2014	112,676,172	126,975,171	-	28,742,355	12,412,476	280,806,174
Amortisation for the period	9,698,036	17,130,054	-	3,257,645	-	30,085,735
Transfer to Network assets	-	(774,021)	-	-	-	(774,021)
Exchange differences	(768,627)	(363,356)	-	-	(290,131)	(1,422,114)
As at March 31, 2015	**121,605,581**	**142,967,848**	-	**32,000,000**	**12,122,345**	**308,695,774**
Closing net carrying value as at March 31, 2015	**1,488,236**	**128,986,949**	**265,377,081**	-	-	**395,852,266**
Gross carrying value as at March 31, 2015	123,093,817	271,954,797	265,377,081	32,000,000	12,122,345	704,548,040
Accumulated depreciation	121,605,581	142,967,848	-	32,000,000	12,122,345	308,695,774
Closing net carrying value as at March 31, 2015	**1,488,236**	**128,986,949**	**265,377,081**	-	-	**395,852,266**

* Intellectual property pertains to technology and related know-how in relation to Yipes processes and patents.

** Others includes: Building access rights, Trade names and trademarks and Software and licences.

Transfer to network assets includes adjustment on account of reclassification between tangible and intangible asset amounting to US$ 7,880,328 in Gross block and US$ 774,021 in accumulated depreciation/amortisation.



Notes to Consolidated Financial Statements

Following annual impairment review, no impairment loss has been recognised in respect of goodwill in the Consolidated Statement of Comprehensive Income. The impairment review was based on fair value less costs to sell.

Carrying amount of goodwill allocated to CGUs are as follows:

Cash generating unit	As at March 31,2016	As at March 31, 2015
Vanco	90,554,138	95,776,104
Yipes	169,600,977	169,600,977
	260,155,115	**265,377,081**

The key assumptions used in determining the fair value less costs to sell are:

- Discount rate:

  Discount rate reflects the current market assessment of the risks specific to the CGU. The discount rate is estimated based on the weighted average cost of capital for respective CGU.

- Long-term growth rate:

  Long-term growth rates used are in line with the long term average growth rates of the respective industry and country in which the CGU operates and are consistent with the forecasts included in the industry reports

The table below shows the key assumptions used in the fair value less costs to sell calculations:

	March 31, 2016		March 31, 2015	
	Vanco	Yipes	Vanco	Yipes
Period considered for cash flow projections (in years)	5	5	5	5
Discount rate (p.a.)	13%	13.50%	13%	13%
Long-term growth rate (p.a.)	2.00%	2.50%	2.00%	3.00%

The Directors of GCX Group believe that a reasonable change in key assumptions would not lead to an impairment loss and consequently no sensitivity analysis has been presented.



7) Trade and other receivables and other assets

(a) Trade and other receivables

	As at March 31, 2016	As at March 31, 2015
Trade receivables	245,414,370	228,167,880
Less: Credit notes provision	18,697,846	9,786,266
Less: Allowance for impairment	44,845,479	43,326,985
Total Trade Receivables	**181,871,045**	**175,054,629**

	As at March 31, 2016	As at March 31, 2015
Deposit paid	3,649,655	3,249,542
Accrued income	2,702,140	1,227,565
Advance to vendors	13,714,475	5,003,918
Total Other Receivables	**20,066,270**	**9,481,025**
Total Trade and other receivables	**201,937,315**	**184,535,654**
Less: Non-current portion	3,140,499	1,676,806
Current portion	**198,796,816**	**182,858,848**

Movements in the allowance for impairment of trade receivables are as follows:

	As at March 31, 2016	As at March 31, 2015
At April 1	**43,326,985**	**41,744,392**
Allowance for trade receivables impairment	4,024,545	3,749,683
Allowance released during the year	(2,506,051)	(2,167,090)
As at March 31	**44,845,479**	**43,326,985**

The creation and release of allowance for impaired receivables have been included in 'other expenses' in the Consolidated Statement of Comprehensive Income. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. GCX Group does not hold any collateral as security.



(b) Other Assets

	As at March 31, 2016	As at March 31, 2015
Prepaid expenses	15,944,876	13,112,946
Restricted deposits	1,801,795	2,990,588
Other advances and receivables	5,347,656	11,149,321
Total	**23,094,327**	**27,252,855**
Less: non-current portion	15,049,912	9,267,890
Current portion	**8,044,415**	**17,984,965**

Prepaid expenses represents expenses related to network operating expenses and other expenses paid in advance. These will be included in the Consolidated Statement of Comprehensive Income when the services are received.

Restricted deposits include deposits with bank, which serve as collateral for standby letters of credit held by GCX Group. These standby letters of credit are generally required by the municipalities and utilities where GCX Group operates, in order for it to conduct its operations.

Other advances and receivables include value added tax and service tax recoverable from government authorities.

8) Cash and bank deposits

	As at March 31, 2016	As at March 31, 2015
Cash	2,512	3,824
Bank Balance	83,407,628	92,038,756
Total cash and bank deposits	**83,410,140**	**92,042,580**

9) Share Capital, Retained earnings, Capital reserves and Foreign currency translation reserve

Particulars	As at March 31, 2016	As at March 31, 2015
Share Capital	**235,322,790**	**235,322,790**
Share Premium	104,163,499	104,163,499
Capital reserves	72,816,469	72,816,469
Retained earnings	86,853,782	81,059,036
Foreign currency translation reserve	(59,374,780)	(53,523,334)
Total	**439,781,760**	**439,838,460**



Share Capital and Share premium

GCX had issued US$ 213,283,000 shares for purchase of RGBV's entire holding in RGL and FTGSL for the consideration of US$ 213,271,000 and US$ 12,000, respectively.

GCX had issued 22,029,790 Ordinary Shares of US$ 1 per share to GCXL at premium amounting to US$ 104,163,499 in settlement of the intercompany balances and towards part payment for purchase of HAWK cable system amounting to US$ 26,193,289 and US$ 100,000,000 respectively.

Capital reserves

Capital reserves includes reserve generated during past restructuring and capital contribution received from parents.

Retained earnings

Retained earnings represent the amount of accumulated earnings at each Consolidated Statement of Financial Position date of GCX Group, prepared in accordance with the basis of preparation section.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations included in these Consolidated Financial Statements.

10) Borrowings

	As at March 31, 2016	As at March 31, 2015
Non-current		
Finance lease liabilities	15,190,182	19,886,524
7% Senior Secured Notes due 2019	343,686,504	341,329,061
Total	**358,876,686**	**361,215,585**
Current		
Current portion of finance lease liabilities	1,575,555	1,763,574
Interest accrued on Senior Secured Notes	4,083,334	4,083,334
	5,658,889	**5,846,908**
Total Borrowings	**364,535,575**	**367,062,493**

On August 01 2014, GCX limited had issued "7% Senior Secured Notes due 2019" of US$ 350,000,000 to Institutional Investors. These are listed on the Official list of the Singapore Exchange Securities Trading Limited (SGX-ST). These notes mature in 2019 with a coupon rate of 7%. For issue of these notes, shares of GCX Group's material subsidiaries namely RGL, FTGSL and others have been pledge to Security Trusty of Senior Secured Notes Holders and they also act as guarantor for the Senior Secured Notes.



In the previous year, GCX Limited had availed Revolving credit facility of US$ 30,000,000 out of which undrawn facility as at March 31, 2016 is US$ 30,000,000. The interest on such facility is calculated at LIBOR + margin, the margin can be a maximum of 4% based on the leverage ratio. The termination of the agreement is 3 years from the date of the agreement.

All the borrowings are denominated in US$.

11) Share-based payment

Scheme

Share options were granted to selected employees of RGL to subscribe for ordinary shares in RGL. Under share options plan, RGL granted units to its employees through a trust. Employees were only able to receive units which were equivalent to one equity share of RGL, till RGL gets listed. These units can be redeemed for cash (at a value determined based on share price of RGL on March 31 of the immediately preceding year) or employees can hold on to the units until such time as there is an IPO at which time the units mandatorily convert to shares.

Accordingly, RGL has accounted for the share based payment transaction as a compound award with a cash settled option and an equity settled option. A liability award is with a 4 year vesting period and a service vesting condition on employee completing 1/2/3/4 years' services and an equity award is with a vesting period of up to estimated RGL listing date and a successful RGL listing as a non-market vesting condition. The options are exercisable for a period of 5 years from vesting date.

The exercise price of granted options is fixed at the inception of the plan and is mentioned below:

Plan A

Option Plan A is available to critical employees as identified by the competent authority. Competent Authority means the ESOS Compensation Committee of the Board of Directors of RGL and/or any senior executives constituted and authorised by the ESOS Compensation Committee for such purpose. The exercise price for Plan A is fixed as US$ 29 per share/unit of RGL.

Movements in the number of share options outstanding are as follows:

	2016	2015
At April 1	33,660	115,850
Granted	-	-
Forfeited	5,940	78,450
Exercised	-	-
Expired	6,160	3,740
At March 31	21,560	33,660

Out of the 21,560 outstanding options (2015: 33,660), 21,560 options (2015: 33,660) were exercisable. None of the options have been exercised in the last five years.



For the options that are outstanding, the weighted average remaining contractual life is as follows:

Options outstanding as at	Weighted average remaining contractual life
March 31, 2016	0.40
March 31, 2015	1.10

The weighted average fair value of the liability component of the options granted during the period determined using the Black-Scholes valuation model was US$ Nil per option (2015: US$ Nil). The significant inputs into the model were the estimated stock price of US$ 0.06 (2015: US$ 0.06) at the valuation date, exercise price shown above, volatility of 40% (2015: 40%), dividend yield of 0% (2015: 0%), an expected option life of 0.4 year (2015: 1.10 years) and an annual risk-free interest rate of 4.00% (2015: 1.17%). The volatility measured at the standard deviation of continuously compounded share returns is based on statistical analysis of daily share prices over the last three years of listed peer group companies operating in similar line of business.

Plan B

Option plan B is available to certain class of employees which are described below:

Employee Category	Eligible Employees
Category 1	Critical Employees as identified by the Competent Authority
Category 2	Employees who existed on the payrolls of RGL as on March 31, 2007
Category 3	Employees who were not on the payroll of RGL as on March 31, 2007 but were included on the payrolls of RGL between April 1, 2007 and September 30, 2007
Category 4	Employees who have joined RGL after October 1, 2007

The exercise price for Plan B is fixed as US$ 32.50 per share/unit of RGL.

Movements in the number of share options outstanding are as follows:

	2016	2015
At April 1	195,223	293,018
Granted	-	-
Forfeited	19,127	76,104
Exercised	-	-
Expired	39,132	21,691
At March 31	136,964	195,223



Out of the 136,964 outstanding options (2015: 195,223), 136,964 options (2015: 195,223) were exercisable. None of the options have been exercised in the last three years.

For the options that are outstanding the weighted average remaining contractual life is as follows:

Options outstanding as at	Weighted average remaining contractual life
March 31, 2016	0.40
March 31, 2015	1.10

The weighted average fair value of the liability component of the options granted during the period determined using the Black-Scholes valuation model was US$ Nil per option (2015: US$ Nil). The significant inputs into the model were the estimated stock price of US$ 0.06 (2015: US$ 0.06) at the valuation date, exercise price shown above, volatility of 40% (2015: 40%), dividend yield of 0% (2015: 0%), an expected option life of 0.40 years (2015: 1.10 years) and an annual risk-free interest rate of 1.42% (2015: 1.17%). The volatility measured at the standard deviation of continuously compounded share returns is based on statistical analysis of daily share prices over the last three years of listed peer group companies operating in similar line of business.

The above mentioned share based payment plans have been classified as a cash settled plan and accordingly the charge has been recorded in Consolidated Statement of Comprehensive Income with the corresponding liability.
The aggregate expenditure credited for the cash settled plan under plan A and plan B to the Consolidated Statement of Comprehensive Income for the share based payment is US$ Nil (2015: Nil).

There is no charge recognised for the equity settled plan as it is contingent on the occurrence of an initial public offering of the shares of RGL which as per the management is currently not expected to happen in the foreseeable future.

Further, the Board of directors of RGL passed a resolution on May 16, 2012 terminating the RGL ESOP plan. However, in accordance with the terms of the RGL ESOP plan, such termination would not affect the Options which have already been granted.



12) Trade and other payables

	As at March 31, 2016	As at March 31, 2015
Trade payables	32,330,005	37,004,892
Accrued expenses	115,712,890	103,840,653
Advance from Customers	598,761	3,191,870
Employee Payables	5,991,089	7,159,379
Others	688,726	1,022,046
Total	**155,321,471**	**152,218,840**
Less: Non Current Portion	-	616,385
Current portion	**155,321,471**	**151,602,455**

Accrued expenses represent accruals towards network costs and other expenses.

13) Deferred revenue

	2016	2015
As at April 1	**740,686,377**	**788,483,155**
Bills raised during the year	410,990,642	446,623,203
Adjustment on account of credit notes	(8,911,580)	(11,428,950)
Service Revenue (Refer note 16)	(464,238,147)	(483,027,253)
Movement in accrued income	1,474,575	36,222
As at March 31	**680,001,867**	**740,686,377**
Less: Non-current portion	533,987,870	621,676,781
Current portion	**146,013,997**	**119,009,596**

14) Asset retirement obligation

GCX Group's asset retirement obligations relate to the cable systems installed in the relevant territorial waters. The estimation of the asset retirement obligations requires the significant use of estimates regarding the amounts and timing of expected cash flows.

In the previous year, the Company had reassessed its legal obligation and estimated amount of cash flows for Asset Retirement Obligation as a result, the Company had reduced its asset retirement obligations liability by US$ 70,214,578 with an offsetting reduction of carrying amount of related Network Assets by US$ 43,322,514 and excess amount of US$ 26,892,065 had been credited to the Statement of Comprehensive Income under the heading "Depreciation and amortisation". The annual impact of this reassessment will progressively decrease the depreciation charge until the end of remaining useful life of the related Network Assets.



Further, in the previous year, the present value of the asset retirement obligation had been re-assessed using a revised discounting rate. As a result, an increase of asset retirement obligation had been recognized in the financial statements with a corresponding increase to the previously capitalised amount under network assets amounting to US$ 4,886,214.

The value of the asset retirement obligations was calculated by an independent professional valuer using yield for UK government bonds (where commercial operations of the company are centralized) maturing after 10 years and 20 years which is in the range of 1.71-2.28% as the pre-tax discounting rate reflecting current market assessment of the value of money. The UK Government bonds have been considered based on the currency of the obligations and their expected period of settlement. The expected timing and amount of payments is mentioned below for various cable systems taken together:

Year	Amount
2021-22	2,862,023
2025-26	17,618,024
2036-37	4,950,403

	2016	2015
As at April 1,	**20,169,793**	**79,439,188**
Change in estimated liability	-	(65,328,364)
Addition	-	2,974,362
Charged to the statement of comprehensive income		
- Unwinding of discount	364,166	3,084,607
As at March 31	**20,533,959**	**20,169,793**

Analysis of Provision

	As at March 31, 2016	As at March 31, 2015
Non-current	20,533,959	20,169,793
Current	-	-
Total	**20,533,959**	**20,169,793**



15) Other Liabilities

	As at March 31, 2016	As at March 31, 2015
Statutory Payables	7,009,143	5,504,990
Payable towards capital expenditure	2,995,040	8,626,589
Other Liabilities (refer note 27 (f))	15,000,000	-
Total	**25,004,183**	**14,131,579**
Less: Non-current portion	1,225,190	1,434,699
Current Portion	**23,778,993**	**12,696,880**

16) Service Revenue

	For the year ended March 31, 2016	For the year ended March 31, 2015
Bandwidth Capacity	105,739,056	91,679,246
Operation and Maintenance Charges	45,675,141	52,916,705
International Private Leased Circuits and others	61,196,344	61,927,987
Internet Protocol	106,672,136	113,526,023
Managed Network Services	144,955,470	162,977,292
Total	**464,238,147**	**483,027,253**

17) Other income

	For the year ended March 31, 2016	For the year ended March 31, 2015
Gain on cancellation of Finance Lease liability	294,222	1,016,067
Interest on Income Tax Refund	5,424,204	-
Liabilities written back to the extent no longer required	3,101,659	2,303,638
Miscellaneous income	73,930	97,904
Total	**8,894,015**	**3,417,609**



18) Network Operation Expenses

	For the year ended March 31, 2016	For the year ended March 31, 2015
Equipment Maintenance and Support	6,388,871	8,248,867
Marine Cable Operations	24,352,519	21,868,995
Landing Stations and Point of Presence costs	38,140,855	46,208,398
Terrestrial Cable, Inland Amplifier and Regenerator Sites	52,683,235	46,981,837
Local Tails	18,817,534	19,643,033
Telecom Circuit cost and Equipment	98,794,807	110,700,494
Restoration cost	-	161,667
Internet Protocol cost	3,485,792	2,385,930
Total	**242,663,613**	**256,199,221**

Marine Cable operations mainly comprises cost incurred towards repair and maintenance of cable and submerged equipments.

Landing stations and Point of Presence (PoP) costs mainly include lease rentals of data centers and operations and maintenance cost of landing stations and PoPs.

Terrestrial Cable, Inland Amplified and Regenerator Sites mainly include cost incurred towards backhaul capacity purchased on short-term basis.

Local Tails includes the cost incurred towards short term capacity purchased from local telecom providers between landing stations /company's PoP to customer's PoP.

Telecom Circuit cost and equipments are cost incurred towards rental cost of leased lines procured from local vendors and equipment purchased for installation of managed network solution at customers' site.

19) Employee cost

	For the year ended March 31, 2016	For the year ended March 31, 2015
Salaries and bonus	58,538,465	62,941,085
Contribution to defined contribution plans	2,354,325	2,250,793
Staff welfare expenses	3,472,808	2,730,568
Total	**64,365,598**	**67,922,446**

Salaries and bonus includes deputation cost of US$ 678,605 (March 31, 2015: US$ 2,087,211) for the staff working for GCX Group who are on deputation.

GCX Group does not have any other significant defined benefit plan.



20) Other expenses

	For the year ended March 31, 2016	For the year ended March 31, 2015
Rent	5,853,290	6,458,630
Rates and taxes	3,772,596	3,659,797
Insurance	1,087,057	1,690,593
Audit Fees	1,423,933	1,596,893
Legal Fees	1,217,195	1,864,901
Professional Charges	4,656,370	4,041,603
Licensing and Regulatory Fees	1,504,379	1,627,280
Travelling and Entertainment Expenses	3,623,137	3,994,361
Communication	1,312,108	1,307,224
Information Technology Support	3,189,370	2,887,449
Bank charges	422,398	475,206
Impairment of Trade Receivables	906,116	2,259,434
Sales and Marketing	1,013,596	1,117,953
Facility and usage charges	1,289,731	1,136,565
Others	1,174,657	3,655,581
Total	**32,445,933**	**37,773,470**

21) Finance income and costs

	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest Income	18,322	71,183
Finance income	**18,322**	**71,183**
Interest expense on finance lease	1,430,394	2,772,386
Interest on Asset Retirement Obligations	364,166	3,084,607
Interest on 7% Senior Secured Notes	24,500,000	16,333,334
Amortisation of 7% Senior Secured Notes issue expenses	2,357,443	1,407,468
Credit facility charges	488,000	720,000
Interest – others	28,749	39,575
Finance cost	**29,168,752**	**24,357,370**
Finance cost, net	**29,150,430**	**24,286,187**



22) Income tax and deferred tax

	For the year ended March 31, 2016	For the year ended March 31, 2015
Current income tax	(8,327,223)	1,169,991
Deferred income tax (net)	(551,596)	(3,963,729)
Credit recognised in net profit in the Consolidated Statement of Comprehensive Income	**(8,878,819)**	**(2,793,738)**

Reconciliation between the provisions for income tax to the amount computed by applying the statutory income tax rate to the income before provision for income tax is summarised below:

	For the year ended March 31, 2016	For the year ended March 31, 2015
Profit before income tax	**11,931,050**	**11,468,218**
Income tax effect due to:		
Tax calculated at domestic tax rates applicable to profits/ (losses) in the respective countries	(1,139,011)	(5,835,303)
Changes / differences in tax rate	-	194,043
Adjustment in respect of tax assessments relating to earlier years	(12,738,556)	(2,483,072)
Expenses not deductible for tax purposes	371,886	21,789
Tax losses for which no deferred income tax asset was recognized	8,105,158	11,269,336
Utilisation of previously unrecognised tax losses	(3,411,308)	(6,280,059)
Others	(66,988)	319,528
Income tax credit	**(8,878,819)**	**(2,793,738)**

The weighted average applicable tax rate was (10) % (March 31, 2015: (51) %)
At the present time, no income, profit, capital or capital gains taxes are levied in Bermuda. In the event that such taxes are levied in the future, RGL, FTGSL and all their subsidiaries registered in Bermuda have received an undertaking dated April 26, 2012 from the Bermuda Government exempting them from all such taxes until March 31, 2035.

The provision for income taxes reflected in the accompanying Consolidated Statement of Comprehensive Income consists of taxes incurred on the income earned or activities performed by GCX Group in certain jurisdictions, where they are deemed to have a taxable presence or are otherwise subject to tax.



The (benefit)/provision for income taxes, which consists entirely of taxes payable to foreign governments outside Bermuda, is comprised of the following:

	For the year ended March 31, 2016	For the year ended March 31, 2015
Current tax charge	(8,327,223)	1,169,991
Deferred tax credit	(551,596)	(3,963,729)
Total	**(8,878,819)**	**(2,793,738)**

Significant components of deferred income tax assets and liabilities presented in the Consolidated Statement of Financial Position are as follows:

	As at March 31, 2016	As at March 31, 2015
Deferred income tax liabilities		
Amortisation of intangible asset	3,951,374	4,777,611
Accelerated tax depreciation	344,127	101,489
Others	1,961,220	1,956,895
Total	**6,256,721**	**6,835,995**
Deferred income tax liabilities to be settled within 12 months	1,557,152	965,328
Deferred tax liabilities to be settled after more than 12 months	4,699,569	5,870,667
Total	**6,256,721**	**6,835,995**

	As at March 31, 2016	As at March 31, 2015
Deferred income tax assets		
Unutilised income tax losses	-	-
Property, plant and equipment	145,331	141,078
Others	87,951	133,347
Total	**233,282**	**274,425**
Deferred tax asset to be recovered within 12 months	88,102	74,856
Deferred tax asset to be recovered after more than 12 months	145,180	199,569
Total	**233,282**	**274,425**

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:



Notes to Consolidated Financial Statements

	As at April 1, 2014	Charge (Credited)/ Debited to the Statement of Comprehensive income	As at March 31, 2015	Charge (Credited)/ Debited to the Statement of Comprehensive income	As at March 31, 2016
Deferred income tax liabilities					
Amortisation of intangible assets	8,808,821	(4,031,210)	4,777,611	(826,237)	3,951,374
Accelerated tax depreciation	115,522	(14,032)	101,490	242,638	344,127
Others	2,504,873	(547,979)	1,956,894	4,326	1,961,220
Total	**11,429,216**	**(4,593,221)**	**6,835,995**	**(579,273)**	**6,256,721**
Deferred Tax Assets					
Unutilised income tax losses	-	-	-	-	-
Property, plant and equipment	468,400	(327,322)	141,078	4,253	145,331
Others	322,943	(189,596)	133,347	(45,396)	87,951
Total	**791,343**	**(516,918)**	**274,425**	**(41,143)**	**233,282**

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. GCX Group did not recognise deferred income tax assets of US$ 253,328,051 (March 31, 2015: US$ 219,707,070) in respect of losses amounting to US$ 925,724,753 (March 31, 2015: US$ 812,927,918) that can be carried forward against future taxable income.

Tax loss carry-forwards and other temporary differences for which no deferred tax assets were recorded amounted to:



	For the year ended March 31, 2016	For the year ended March 31, 2015
Expiring within 1 year	3,447,657	3,724,195
Expiring within 1 to 5 years	26,278,306	14,253,658
Expiring within 5 to 7 year	92,802,406	65,493,166
Expiring within 7 to 20 years	381,322,977	371,201,487
Expiring without limitation	421,873,407	358,255,412
Total un-recognized tax loss carry-forwards	**925,724,753**	**812,927,918**

GCX Group has not recognised deferred tax liability on temporary differences towards investment (tax on outside basis) in its subsidiaries to the tune of US$ 3,004,235 (March 31, 2015: US$ 3,103,273) as GCX Group has determined that the subsidiaries profits and reserves will not be distributed in the foreseeable future and the subsidiaries will not be disposed off.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on GCX Group's estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered. [Refer note 3 (vi)].

23) Financial instruments

Financial instruments by category as at March 31, 2016 and March 31, 2015 are as follows:

Financial assets as per Consolidated Statement of Financial Position	As at March 31, 2016	As at March 31, 2015
Loans and Receivables		
Cash and bank deposits	83,410,140	92,042,580
Trade receivables	181,871,045	175,054,629
Other receivables	8,153,590	7,467,695
Total	**273,434,775**	**274,564,904**



Financial Liabilities as per Consolidated Statement of Financial Position	As at March 31, 2016	As at March 31, 2015
Other Financial Liabilities		
Borrowings	347,769,838	345,412,395
Trade payables	32,330,005	37,004,892
Finance lease liabilities	16,765,737	21,650,098
Other payables	140,387,745	120,648,667
Total	**537,253,325**	**524,716,052**

The carrying amounts reported in the Consolidated Statement of Financial Position for cash and bank deposits, trade and other receivables, trade payable, and other financial liabilities approximate their respective fair values as the impact of discounting is not expected to be material. The fair value of finance lease liabilities (based on discounted cash flow analysis) as at March 31, 2016 is US$ 22,333,603 (March 31, 2015: US$ 29,350,287).

Refer to note 21 for details of interest income and expenses and gains and losses on financial assets and liabilities recognised in net profit in the Consolidated Statement of Comprehensive Income. Interest income relates to loans and receivables while interest expense (other than interest on asset retirement obligations) relates to other financial liabilities.

24) Financial and capital risk management

I. Financial risk factors

The major financial instruments of the Consolidated GCX Group include cash and bank deposits, financial assistance to related parties, trade and other receivables, financial assistance from related parties, trade and other payables and borrowings. Details of these financial instruments are disclosed in the respective notes to the Consolidated Financial Statements. The risk management program of GCX Group is aimed to minimize the financial risks for the business.

a) Market risk

(i)Foreign exchange risk

Currency risk as defined under IFRS 7 arises on financial instruments being denominated in a currency that is not the functional currency of the entity and that are monetary in nature.

GCX Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the EURO, and GBP. GCX Group manages this risk by mostly transacting in US$. Most of the capacity sale and purchase contracts and service revenue contracts are in US$ so are the long terms operating contracts including marine maintenance, landing station charges. The capex is also largely agreed and settled in US$. The exposure to local currency is primarily on account of employee related and selling, administration and other costs. GCX Group does not have any formal currency hedging policy as most of the transactions are transacted in US$ and does not enter in to any derivatives including forward contracts.



The currency profile of financial assets and financial liabilities as at March 31, 2016 and March 31, 2015 are as below:

As at March 31, 2016	US$	Euro	GBP	Others	Total
Loans and receivables					
Cash and bank deposits	55,327,103	9,984,435	3,495,089	14,603,513	83,410,140
Trade receivables	150,129,375	20,189,854	5,139,228	6,412,588	181,871,045
Other receivables	5,037,017	1,141,589	65,772	1,909,212	8,153,590
Total	**210,493,495**	**31,315,878**	**8,700,089**	**22,925,313**	**273,434,775**

As at March 31, 2016	US$	Euro	GBP	Others	Total
Other financial Liabilities					
Borrowings	347,769,838	-	-	-	347,769,838
Trade payables	19,313,066	1,150,377	2,308,562	9,558,000	32,330,005
Finance lease liabilities	16,765,737	-	-	-	16,765,737
Other payables	92,603,035	22,119,043	15,248,945	10,416,722	140,387,745
Total	**476,451,676**	**23,269,420**	**17,557,507**	**19,974,722**	**537,253,325**

As at March 31, 2015	US$	Euro	GBP	Others	Total
Loans and receivables					
Cash and bank deposits	80,627,961	4,415,014	2,048,000	4,951,604	92,042,579
Trade receivables	158,184,708	5,235,923	7,959,268	3,674,730	175,054,629
Other receivables	5,210,272	317,222	91,773	1,848,428	7,467,695
Total	**244,022,941**	**9,968,159**	**10,099,041**	**10,474,762**	**274,564,903**

As at March 31, 2015	US$	Euro	GBP	Others	Total
Other financial Liabilities					
Borrowings	345,412,395	-	-	-	345,412,395
Trade payables	24,364,359	2,436,542	3,107,935	7,096,058	37,004,894
Finance lease liabilities	21,650,098	-	-	-	21,650,098
Other payables	63,731,305	29,452,634	18,065,887	9,398,841	120,648,667
Total	**455,158,157**	**31,889,176**	**21,173,822**	**16,494,899**	**524,716,054**



Foreign Exchange Sensitivity

Impact on Profit before tax and Equity	For the year ended March 31, 2016	For the year ended March 31, 2015
Increase/(Decrease) in Euro		
- Sensitivity (2016 - 2%, 2015 – 6%)	160,929	1,315,261
Increase/(Decrease) in GBP		
- Sensitivity (2016 - 3%, 2015 – 4%)	265,723	442,991

The sensitivity analysis is based on a reasonably possible change in the underlying foreign currency against the US$ computed from historical data and assuming all other information to be constant.

(ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

GCX Group's interest rate risk arises from borrowings in the form of finance lease obligations. Borrowings issued at fixed rates and finance lease obligations expose GCX Group to fair value interest rate risk.

The table below shows GCX Group's sensitivity to interest rates on Senior Secured Notes:

	March 31, 2016	March 31, 2015
1% increase in interest rate	7,404,622	10,104,103
1% decrease in interest rate	(7,579,897)	(10,439,708)

The table below shows GCX Group's sensitivity to interest rates on finance lease obligations.

	March 31, 2016	March 31, 2015
1% increase in interest rate	641,613	897,442
1% decrease in interest rate	(682,353)	(959,049)

GCX Group has borrowing on account of Working Capital facility which is on best in class rates from global bank. The borrowings are based on applicable Bank Currency Overdraft Rate + 3.25%. The sensitivity analysis is based on a reasonably possible change in the market interest rates computed from historical data.

The profile of GCX Group's borrowings as at March 31, 2016 and March 31, 2015 is provided in note 10.



b) Credit risk

Credit risk encompasses the direct risk of default, the risk of deterioration of creditworthiness as well as concentration risks. It principally arises from deposits with banks, loans and receivables, and credit exposures to customers, including outstanding receivables. Trade receivables of GCX Group are typically unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals and periodic monitoring the creditworthiness of customers to which GCX Group grants credit terms in the normal course of business. GCX Group's customers primarily comprise of carriers and other corporate customers which are high value creditworthy companies and government controlled companies. In addition, ethernet business primarily caters to small and medium enterprise customers in US. The utilisation of credit limits is regularly monitored.

GCX Group also maintains an allowance for impairment of trade receivables based upon the expected collectability of accounts receivables. Moreover, the interest bearing deposits are with banks and financial institutions of reputation, good past track record and high quality credit rating.

GCX Group has potential concentrations of credit risk from its accounts receivables, cash and bank deposits.

GCX Group maintains its cash and bank deposits with credit worthy banks and financial institutions and reviews it on an on-going basis. As at March 31, 2016 and March 31, 2015 an amount of US$ 83,410,140 and US$ 92,042,580 is maintained with various banks and financial institutions.

(i) Financial assets which are past due but not impaired

Trade receivables which are past due but not impaired as at March 31, 2016 and March 31, 2015 amounting to US$ 143,940,371 and US$ 123,950,644 respectively.

The ageing analysis of the trade receivables have been considered from the due date. The age wise break up of trade receivables that are past due is given below:

	As at March 31, 2016	As at March 31, 2015
Particulars		
Past due 0-30 days	25,509,487	16,145,490
Past due 31-60 days	3,631,552	26,649,030
Past due 61-120 days	35,472,400	12,669,884
Past due 121-180 days	16,862,261	11,079,126
Past due over 180 days	62,464,671	57,407,114
Total	**143,940,371**	**123,950,644**



As at March 31, 2016 trade receivables of US$ 62,464,671 (March 31, 2015: US$ 57,407,114) were past due for 180 days but not impaired. The receivables past due but not impaired are assessed on individual case to case basis which relates to a number of customers which includes related party as well as third party customer from whom there is no recent history of default. Balances reflecting within "Past due over 180 days" as of March 31, 2016 included receivables from the Parent and its subsidiaries and counterparties having significant sums receivable from the GCX Group. These financial assets were not provided for as there had not been a significant change in credit quality and the amounts were still considered recoverable based on the nature of the activity of GCX Group and type of customers.

All other class of financial assets are neither past due nor impaired except as discussed in the points (ii) and (iii) mentioned below.

(ii) Financial assets which are past due and impaired

There are no other classes of financial assets that are past due but not impaired except for trade receivables of US$ 54,147,829 and US$ 52,005,349, as at March 31, 2016 and March 31, 2015 respectively. GCX Group's credit period is generally 30 days. The said assets include a combination of assets which are fully impaired and partly impaired.

(iii) Financial assets which are neither past due nor impaired

Trade Receivables which are neither past due nor impaired as at March 31, 2016 and March 31, 2015 aggregate to US$ 47,326,171 and US$ 52,211,887 respectively. All other financial assets are neither past due not impaired.

c) Liquidity risk

The following tables detail the remaining contractual maturities at the end of the reporting period of GCX Group, which are based on contractual and undiscounted cash flows and the earliest date GCX Group can be required to pay. GCX Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.



The following tables set forth the details of future payments as to financial liabilities as at March 31, 2016 and March 31, 2015

As at March 31, 2016	Upto 1 year	1-3 years	3-5 years	After 5 years	Total
Other financial liabilities					
Borrowings	4,083,334	-	343,686,504	-	347,769,838
Trade payables	32,330,005	-	-	-	32,330,005
Finance lease liabilities	2,819,184	5,559,495	5,029,620	9,815,938	23,224,237
Other payables	140,387,745	-	-	-	140,387,745
Total	**179,620,268**	**5,559,495**	**348,716,124**	**9,815,938**	**543,711,825**

As at March 31, 2015	Upto 1 year	1-3 years	3-5 years	After 5 years	Total
Other financial liabilities					
Borrowings	4,083,334	-	341,329,061	-	345,412,395
Trade payables	37,004,892	-	-	-	37,004,892
Finance lease liabilities	3,359,432	6,715,439	6,391,672	14,180,909	30,647,452
Other payables	120,648,667	-	-	-	120,648,667
Total	**165,096,325**	**6,715,439**	**347,720,733**	**14,180,909**	**533,713,406**

GCX Group has at its disposal cash and bank deposits of US$ 83,410,140 and US$ 92,042,580 as at March 31, 2016 and March 31, 2015 respectively.

II. **Capital management**

The primary objective of GCX Group when managing capital is to safeguard GCX Group's ability to continue as a going concern in order to provide return to the shareholders and to support GCX Group's stability and growth.

The funding requirements are primarily met through equity infusion by the Parent company. Further, GCX Group uses long-term and short-term borrowings to meet anticipated funding requirements. Adequacy of capital is monitored on the basis of total equity on a periodic basis.

Consistent with others in the industry, GCX Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' and 'financial assistance from related parties' as shown in the Consolidated Statement of Financial Position) less cash and bank deposits. Total capital is calculated as 'equity' as shown in the Consolidated Statement of Financial Position plus net debt.



The gearing ratios at March 31, 2016 and March 31, 2015 were as follows:

	As at March 31, 2016	As at March 31, 2015
Total borrowings (A)	364,535,575	367,062,493
Less: cash and bank deposits (note 8) (B)	(83,410,140)	(92,042,580)
Net debt (C=A-B)	281,125,435	275,019,913
Total equity (D)	436,994,657	437,036,234
Total capital (E=C+D)	718,120,092	712,056,147
Gearing ratio (C/E)	**39%**	**39%**

25) Earnings per share

The calculation of basic and diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

(i) Profit attributable to ordinary shareholders:

	For the year ended March 31, 2016	For the year ended March 31, 2015
Profit for the year, attributable to the owners of GCX Group	20,797,176	13,561,271

(ii) Weighted-average number of ordinary shares:

	2016	2015
Ordinary shares at April 1	235,322,790	10,000
Effect of shares issued during the year	-	229,880,787
Weighted-average number of ordinary shares at March 31	235,322,790	229,890,787
(iii) Basic and diluted earnings per share	0.09	0.06



26) Segment reporting

The GCX Group is being geared to provide the customers with a composite service tailored to their industry or their specific needs like cost optimization or increased speed of reach, which in-turn involves leveraging a combination of the assets and service capabilities of GCX Group. The CEO of GCX performs the function of Chief Operating Decision Maker ('CODM'). The GCX Group has a single operating segment, viz. Data Services Business. The Data Services Business of GCX Group provides an integrated service to its global customers.

The CODM reviews the segment results at a combined level for all regions and businesses, when assessing the GCX Group's overall performance and deciding the manner in which to allocate resources. The service revenue from external customers reported to the CODM is measured in a manner consistent with that disclosed in Note 16 of the Consolidated Statement of Comprehensive Income. Segment results represent operating profit in the Consolidated Statement of Comprehensive Income.

The non-current assets of GCX Group primarily comprise of the Network assets (refer note 4) and Intangible assets (refer note 6). Network assets primarily comprises of sub-sea cable systems and the related assets associated with it which span across several countries covering six major routes covering Trans-Atlantic, Intra-Asia, Middle East-West, Middle East-East, India-West and India-East while intangible assets cover three major routes of Japan - Singapore, France - Singapore and Singapore – Hong Kong and also include acquired intangible assets from past business combinations in form of customer relationships spread across several countries. As network assets are not necessarily located in the country of domicile and customer relationships spread across varied locations of underlying customers, it is impracticable to disclose assets by geographical location. The billing on customers for certain capacity contracts are done primarily from one jurisdiction of preference not necessarily divided into geographical locations based on the customer location or the network assets.

Further, when a composite service is offered to a customer, while the billing may be done in one jurisdiction the services in-turn would be sought or assets used would be from different legal entities within the GCX Group domiciled in different geographies. Therefore, it is impracticable to meaningfully disclose service revenue by geographical locations.

Reliance Communications Limited contributed 11.30% of GCX Group's service revenue in the year ended March 31, 2016 (March 31, 2015: None). No other customer contributes more than 10% of GCX Group's service revenue



27) Related party transactions

GCX is controlled by GCXL, incorporated in Bermuda, which owns 100% of GCX's shares. GCX's ultimate parent is Reliance Innoventures Private Limited (incorporated in the Republic of India).

All the transactions between related parties are carried out on a commercial and arm's length basis. Amounts receivable from and payable to related parties are due on normal commercial terms.

The following transactions were carried out with related parties:

(a) Sales of services

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Service Revenue		
Parent company	52,480,274	43,251,778
Fellow subsidiaries of GCX Group	3,159,818	21,957,530
Total	**55,640,092**	**65,209,308**

Sales of services are negotiated with related parties on a cost-plus basis and are determined on the basis of market price.

(b) Purchases of services

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Network Operating Expenses		
Parent company	7,077,951	5,887,676
Fellow subsidiaries of GCX Group	29,623	162,500
Total	**7,107,574**	**6,050,176**

Purchases of services are negotiated with related parties on a cost-plus basis and are determined on the basis of market price.

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Other expenses		
Parent company and RGBV	72,000	3,000
Fellow subsidiaries of GCX Group	2,794,822	3,424,809
Total	**2,866,822**	**3,427,809**

Other expenses primarily include charges towards contracted services.



(c) Other transactions

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Interim Dividend		
Parent company and RGBV	15,002,430	-
Other transaction		
Fellow subsidiaries of GCX Group	-	355,400*
Total	**15,002,430**	**355,400**

*Other transactions include acquisition of an additional 0.05% interest in RGL from Lagerwood.

i) On June 30, 2014, the GCX Group has acquired the Hawk cable system from GCXL (who in turn has acquired the same from RGBV) at an agreed value of US$ 350,000,000.

ii) On June 30, 2014, the GCX Group has assigned intercompany balances with RGBV and its subsidiaries and certain third party balances aggregating US$ 26,193,289 net (payable) to GCXL who in turn has assigned the same to RGBV.

iii) The aggregate balance payable by the GCX Group to GCXL and by GCXL to RGBV (after considering the impact of the transactions referred to in i) and ii) above) as of June 30, 2014 was US$ 376,193,289. The GCX Group issued equity shares amounting US$ 126,193,289 to GCXL who in turn issued shares of an equivalent value to RGBV in part settlement of the aggregate balance outstanding post assignment of intercompany balances and acquisition of Hawk Cable System referred to above. The balance amount outstanding towards acquisition of Hawk Cable System has subsequently been settled.

(d) Key management compensation

GCX Group remunerated and reimbursed expenses to William Barney of US$ 1,750,611 (March 31, 2015: US$ 1,460,981).

(e) Year-end balances arising from sales/purchases of services

Particulars	As at March 31, 2016	As at March 31, 2015
Trade Receivables from related parties		
Parent company and RGBV	45,776,597	46,162,461
Fellow subsidiaries of GCX Group	13,133,648	12,976,212
Total	**58,910,245**	**59,138,673**

The receivables from related parties arise mainly from sales transactions and are due 1-2 months after the date of sales. The receivables are unsecured in nature and bear no interest. No provisions are held against receivables from related parties.



Particulars	As at March 31, 2016	As at March 31, 2015
Advance to Vendors		
Parent company and RGBV	12,139,310	-
Fellow subsidiaries of GCX Group	187,418	54,525
Total	**12,326,728**	**54,525**

Advance to vendors represent sums paid in advance for services to be received subsequently.

Particulars	As at March 31, 2016	As at March 31, 2015
Trade Payables to related parties		
Parent company and RGBV	1,596,551	4,655,141
Fellow subsidiaries of GCX Group	3,775,831	3,220,436
Total	**5,372,382**	**7,875,577**

The payables to related parties arise mainly from purchase transactions and are due 1-2 months after the date of purchase. The payables bear no interest.

Particulars	As at March 31, 2016	As at March 31, 2015
Accrued expenses		
Parent company and RGBV	438,968	9,072,289
Fellow subsidiaries of GCX Group	19,056	2,034,745
Total	**458,024**	**11,107,034**

Particulars	As at March 31, 2016	As at March 31, 2015
Advance from customers		
Fellow subsidiaries of GCX Group	-	1,955,230
Total	-	**1,955,230**



(f) Year-end balances arising from other transactions

Particulars	As at March 31, 2016	As at March 31, 2015
Other Payables		
Fellow subsidiaries of GCX Group	355,400	355,400
Total	**355,400**	**355,400**

Particulars	As at March 31, 2016	As at March 31, 2015
Other liabilities		
Parent company and RGBV*	15,000,000	-
Total	**15,000,000**	-

* Interim Dividend payable to Global Cloud Xchange Limited.

(g) Financial Assistance From related parties

Financial assistance from Parent company and RGBV:

Particulars	As at March 31, 2016	As at March 31, 2015
At April 1	-	40,430,000
Financial assistance assigned during the year	-	(349,000)
Financial assistance paid during the year	-	(40,081,000)
As at March 31	-	-



Financial assistance from fellow subsidiaries of GCX Group:

Particulars	As at March 31, 2016	As at March 31, 2015
At April 1	-	256,762,208
Financial assistance assigned during the year	-	(256,762,208)
As at March 31	-	-

Financial assistance from related parties include short term funding and reimbursement of expenditure incurred on behalf of GCX Group.

(h) Financial assistance to related parties

Financial assistance to Parent company and RGBV:

Particulars	As at March 31, 2016	As at March 31, 2015
At April 1	-	152,223,497
Financial assistance given during the year	-	2,122,759
Financial assistance recovered during the year	-	(10,000)
Financial assistance assigned during the year	-	(154,336,256)
As at March 31	-	-

Financial assistance to fellow subsidiaries of GCX Group:

Particulars	As at March 31, 2016	As at March 31, 2015
At April 1	-	65,195,634
Financial assistance assigned during the year	-	(65,195,634)
As at March 31	-	-

Financial assistance to related parties include short term funding and reimbursement of expenditure incurred on their behalf.



28) Lease

Operating lease

i) As lessee :

Lease Details	For the year ended March 31, 2016	For the year ended March 31, 2015
Minimum lease payments under operating leases recognised as expense during the year	6,468,449	6,634,045

ii) The lease rentals charged during the period for cancellable / non-cancellable lease relating to the rent of building and office premises are as per agreement and the maximum obligation on long term non-cancellable operating lease are as under:

Minimum lease payments	As at March 31, 2016	As at March 31, 2015
Non-cancellable Lease		
Not later than one year	3,924,325	5,651,563
Later than one year but not later than five years	6,008,774	4,413,129
Later than five years	607,740	738,060
	10,540,839	**10,802,752**

Finance lease

GCX Group leases dark fibre optic transmission systems and vehicles under non-cancellable finance lease agreements. The lease terms are between 15 to 25 years for dark fibre optic transmission systems and between 3 to 5 years for vehicles.

Gross finance lease liabilities - Minimum lease payments	As at March 31, 2016	As at March 31, 2015
Not later than one year	2,819,184	3,359,432
Later than one year but not later than five years	10,589,115	13,107,111
Later than five years	9,815,938	14,180,369
	23,224,237	30,646,912
Future finance charges on finance lease liabilities	(6,458,500)	(8,996,814)
Present value of finance lease liabilities	**16,765,737**	**21,650,098**



Present value of finance lease liabilities is as follows:

	As at March 31, 2016	As at March 31, 2015
Not later than one year	1,575,555	1,763,574
Later than one year but not later than five years	7,036,500	8,360,955
Later than five years	8,153,682	11,525,569
	16,765,737	**21,650,098**

During the year, the Company terminated some of its finance lease contracts and this has resulted in reduction in finance lease assets by US$ 3,108,072 (March 31, 2015: US$ 22,623,682) and finance lease obligations by US$ 3,402,294 (March 31, 2015: US$ 23,639,749).

29) Commitment, Contingencies and Litigations (to the extent not provided for):

Amount in US$

Particulars	As at March 31, 2016	As at March 31, 2015
Estimated value of contracts remaining to be executed on capital account (net of advances)	10,841,350	17,510,078
Guarantees given by banks on behalf of the Company	885,541	867,630
Claims against the Company not acknowledged as debts:		
- Licensing disputes with statutory authorities	396,868	376,027
- Employee Litigation	2,711,372	3,183,455
- Indirect tax matter	117,344	117,952
- Others	900,000	Nil

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings.

The Company does not expect any reimbursements in respect of the above contingent liabilities.



India Tax Litigation:

During the year, Income Tax Appellate Tribunal has passed Orders for assessment years 1998-99 to 2008- 2009 which are in favour of the company and accordingly the Company has received the refund including interest thereon and has utilized / reversed the provision of US$ 4,845,852 made in earlier years.

French Tax Litigation:

During the year, the company settled a tax dispute with the French Tax Administration (FTA) pertaining to the rejection of the deductibility of certain expenses for earlier years amounting to Euro 151,650,637 (US$ 181,195,849) for Euro 7,650,000 (US$ 9,777,924) and the Company has utilized/reversed the provision made in earlier years amounting to Euro 7,650,000 (US$ 9,777,924).

30) Pledge of Shares

Reliance Globalcom B.V., the Netherlands (RGBV), the intermediary holding had availed US$ 700 million facility from Standard Chartered Bank (Lender) for the maximum period of 60 Months from the date of utilization. For securing the facility, shares of RGL, FTGSL and their material subsidiaries were pledged to the lender and RGL was one of the Guarantors for the facility. In the Previous year, pursuant to the group restructuring exercise, the Lender has released the pledge on shares of RGL, FTGSL and its subsidiaries and RGL as Guarantor, in exchange of pledge of shares of the Company.

31) New standards and amendments

Standards, amendments and interpretations which are not yet effective

The following standards, amendments and interpretation, which were in issue but not yet effective and have not been early adopted by the GCX Group.

1. Amendment to IFRS 9 Financial Instruments: This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model. IFRS 9 simplifies the mixed measurement model and establishes two primary measurement categories for financial assets, amortised cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. All equity instruments are measured at fair value. A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. For liabilities, the standard retains most of the IAS 39 requirements. These include amortised-cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the Income Statement, unless this creates an accounting mismatch. The guidance in IAS 39 on impairment of financial assets and hedge accounting continues to apply. Amendments regarding general hedge accounting brings into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements. This amendment is effective from annual period beginning on or after January 1, 2018.



2. Amendment to IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible assets' regarding depreciation and amortisation: This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate. This amendment is effective from annual period beginning on or after January 1, 2016.

3. Amendment to IAS 1, 'Presentation of financial statements' on the disclosure initiative: These amendments are as part of the IASB initiative to improve presentation and disclosure in financial reports. This amendment is effective from annual period beginning on or after January 1, 2016.

4. IFRS 16, 'Leases': This standard replaces the current guidance in IAS 17. Under IAS 17, lessees were required to make a distinction between a finance lease and an operating lease. IFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees. IASB has also updated the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard. IFRS 16 is effective for annual reporting periods beginning on or after 1 January 2019. Earlier application is permitted, but only in conjunction with IFRS 15, 'Revenue from Contracts with Customers'.

5. Amendment to IFRS 10 and IAS 28 on investment entities applying the consolidation exception: It clarifies the application of the consolidation exception for investment entities and their subsidiaries. This amendment is effective from annual period beginning on or after January 1, 2016.

6. IAS Amendments to IAS 7, Statement of cash flows on disclosure initiative: This amendment introduced an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendment is part of the IASB's Disclosure Initiative, which continues to explore how financial statement disclosure can be improved. This amendment is effective from annual period beginning on or after January 1, 2017.

7. Amendments to IAS 12, 'Income taxes' on Recognition of deferred tax assets for unrealised losses : This amendment on the recognition of deferred tax assets for unrealised losses clarify how to account for deferred tax assets related to debt instruments m

8. Measured at fair value. This amendment is effective from annual period beginning on or after January 1, 2017. This amendment is effective from annual period beginning on or after January 1, 2017

9. IFRS 15 'Revenue from contracts with customers': IFRS 15, 'Revenue from contracts with customers' is a converged standard from the IASB and FASB on revenue recognition. The standard will improve the financial reporting of revenue and improve comparability of the top line in financial statements globally. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognized. This amendment is effective from annual period beginning on or after January 1, 2018.



The management of the GCX Group is in the process of assessing the impact of these new or revised standards, amendments and interpretations.

32) Approval of Consolidated Financial Statements

The Consolidated Financial Statements set out on pages 3 to 69 were authorised for issue by the Board of Directors of GCX Group.

GCX LIMITED

Rory Cole	**Rodney Riley**
Chief Financial Officer	Director
Place: Mumbai	Place: London
Date: July 19, 2016	Date: July 19, 2016

Price Waterhouse
Chartered Accountants
FRN 301112E
Mumbai

ISSUER

Global Cloud XChange Limited

Principal address

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West Drayton Middlesex
UB7 0JE
United Kingdom

INDEPENDENT AUDITOR OF THE ISSUER

Price Waterhouse, Chartered Accountants

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India

TRUSTEE

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1720, 17th Floor, Tower One
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18 Harcourt Road
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PAYING AGENT

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

TRANSFER AGENT AND REGISTRAR

The Bank of New York Mellon SA/NV, Luxembourg Branch
Vertigo Building - Polaris – 2-4
rue Eugène Ruppert - L-2453
Luxembourg

EXCHANGE, INFORMATION AND TABULATION AGENT

Lucid Issuer Services Limited
Tankerton Works,
12 Argyle Walk
London WC1H 8HA

LEGAL ADVISERS

To the Issuer as to United States and English law

Paul Hastings (Europe) LLP
10 Bishops Square,
London
E1 6EG
United Kingdom

To the Issuer as to Bermuda law

Cox Hallett Wilkinson Limited
Cumberland House, 9th Floor
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P.O. Box HM 1561
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Bermuda


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ANNEX B - NOTICE OF MEETING

THE DISTRIBUTION OF THIS NOTICE, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, SOUTH AFRICA, CANADA OR JAPAN IS PROHIBITED.

THE NOTICE IS ONLY BEING MADE OUTSIDE THE UNITED STATES AND TO PERSONS OTHER THAN "U.S. PERSONS" (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT). ANY PURPORTED PARTICIPATION IN THE MEETING RESULTING DIRECTLY OR INDIRECTLY FROM A VIOLATION OF THESE RESTRICTIONS WILL BE INVALID.

THIS NOTICE IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF HOLDERS. IF HOLDERS ARE IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD SEEK THEIR OWN INDEPENDENT FINANCIAL AND LEGAL ADVICE, INCLUDING IN RESPECT OF ANY TAX CONSEQUENCES, FROM THEIR PROFESSIONAL ADVISERS AUTHORISED UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 ("FSMA") (IF THEY ARE IN THE UNITED KINGDOM), OR FROM ANOTHER APPROPRIATELY AUTHORISED INDEPENDENT FINANCIAL ADVISER (IF THEY ARE NOT) IMMEDIATELY.

THIS DOCUMENT IS ISSUED AND DIRECTED ONLY TO THE HOLDERS AND NO OTHER PERSON SHALL BE, OR IS ENTITLED TO RELY OR ACT ON, OR BE ABLE TO ACT ON, ITS CONTENT.

Reliance Communications Limited
(the "Issuer")

NOTICE OF MEETING ("Notice")

to all holders of its outstanding

US$300,000,000 Senior Secured 6.5 per cent. Notes due 2020
ISIN: XS1216623022
(the "Notes")

Under no circumstances shall this Notice constitute an offer to sell or issue, or the solicitation of an offer to buy or subscribe for, the Notes in any jurisdiction. The Notice shall not give rise to or require a prospectus in a European Economic Area ("**EEA**") member state which has implemented the Prospectus Directive (Directive 2003/71/EC, and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the relevant member state), and including any relevant implementing measure in the relevant member state.

This Notice is not an offer of securities for sale or solicitation of an offer to purchase securities in the United States, Australia, South Africa, Canada, Japan or to any U.S. person. Securities referred to herein may not be offered or sold in the United States, Australia, South Africa, Canada, Japan or any other jurisdiction where such an offer or solicitation would require the approval of local authorities or otherwise be unlawful.

The Notes have not been registered under the Securities Act, or the laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons. For the purpose of this Notice, "United States" means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

The communication of the Notice by the Issuer and any other documents or materials relating to the Meeting is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of FSMA. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. Such documents and/or materials are only directed at and may only be communicated to (1) any person within Article 43(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (which includes a creditor or member of the Issuer), and (2) any other persons to whom these documents and/or materials may lawfully be communicated in circumstances where section 21(1) of the FSMA does not apply. Nothing in this electronic transmission

constitutes or contemplates an offer to buy or the solicitation of an offer to sell securities in the United States or in any other jurisdiction.

HOLDERS MUST MAKE THEIR OWN DECISION WITH REGARD TO THE EXTRAORDINARY RESOLUTIONS AND WHETHER TO PROVIDE ANY FORM OF CONSENT IN RESPECT OF THE EXTRAORDINARY RESOLUTIONS. NEITHER THE ISSUER NOR THE TRUSTEE, THE PRINCIPAL PAYING AGENT OR THE EXCHANGE, INFORMATION AND TABULATION AGENT MAKES ANY RECOMMENDATION IN CONNECTION WITH THE MEETING. NEITHER THE ISSUER NOR THE TRUSTEE, THE PRINCIPAL PAYING AGENT OR THE EXCHANGE, INFORMATION AND TABULATION AGENT (OR ANY OF THEIR RESPECTIVE DIRECTORS, EMPLOYEES, AFFILIATES, AGENTS OR REPRESENTATIVES) EXPRESSES ANY VIEWS AS TO THE MERITS OF THE EXTRAORDINARY RESOLUTIONS SET OUT IN THE NOTICE.

EACH PERSON RECEIVING THIS NOTICE IS DEEMED TO ACKNOWLEDGE THAT SUCH PERSON HAS NOT RELIED ON THE ISSUER, THE TRUSTEE, THE PRINCIPAL PAYING AGENT OR THE EXCHANGE, INFORMATION AND TABULATION AGENT IN CONNECTION WITH ITS DECISION ON HOW TO VOTE IN RELATION TO THE EXTRAORDINARY RESOLUTIONS.

NOTICE IS HEREBY GIVEN that a meeting (the "**Meeting**") of the holders of the Notes (the "**Holders**") convened by the Issuer will be held at the offices of Paul Hastings (Europe) LLP, Ten Bishops Square, London, E1 6EG at 9:00 am on 10 August 2018 for the purpose of considering and, if thought fit, passing the resolutions set out below, which will be proposed as Extraordinary Resolutions (the "**Extraordinary Resolutions**") at the Meeting in accordance with the provisions of the trust deed dated 6 May 2015 made between the Issuer and Standard Chartered Bank (as amended by the supplemental trust deed dated 20 March 2018 made between the Issuer and Madison Pacific Trust Limited as trustee (the "**Trustee**")) (the "**Trust Deed**") in accordance with the following agenda:

1. the First Extraordinary Resolution shall be proposed, and if passed, the Contingent Value Rights Deed (as defined below) shall be entered into; and

2. the Second Extraordinary Resolution shall be proposed, and if passed the Second Supplemental Trust Deed (as defined below) shall be executed by the Issuer and the Trustee.

Unless the context otherwise requires, capitalised terms used but not defined in this Notice shall have the meanings given in the Trust Deed, the terms and conditions of the Notes (the "**Conditions**") or in the Extraordinary Resolutions, as applicable.

In this Notice:

"**Bank Lenders**" means the secured creditors of the Issuer excluding the Holders;

"**Beneficial Owner**" means a person who is the owner of (i) an interest in a particular principal amount of Notes held in a Clearing System, as shown in the records of the relevant Clearing System or its Direct Participants, or (ii) Notes in certificated form held outside the Clearing Systems;

"**Clearing System**" means Euroclear Bank S.A./N.V. or Clearstream Banking S.A.;

"**Contingent Value Rights**" has the meaning given in the First Extraordinary Resolution;

"**Contingent Value Rights Deed**" means the deed to be executed by the Issuer on or around the Settlement Date with respect to the Contingent Value Rights;

"**Direct Participant**" means each person who is shown in the records of a Clearing System as a Holder of an interest in the Notes;

"**Eligible Noteholders**" means Holders of Notes as at the Settlement Date;

"**Exchange Offer**" means the offer by the Issuer to the Holders to tender or exchange all of the outstanding Notes on terms and subject to conditions outlined in the Exchange Offer Memorandum;

"**Exchange Offer Memorandum**" means the exchange offer memorandum dated on or around 27 July 2018 published by the Issuer in connection with the Exchange Offer;

"**Expiration Date**" means 8 August 2018;

"**Expiration Time**" means 9:00 a.m. (London time);

"**GCX Bonds**" means the senior unsecured bonds issued by Global Cloud Xchange Limited or any affiliate of the Issuer pursuant to a trust deed dated on or around the Settlement Date;

"**Optional Redemption**" has the meaning given in the Second Extraordinary Resolution;

"**Monetization and Resolution Plan**" means the final monetization and resolution plan submitted to Bank Lenders on 2 June 2018 (as amended from time to time) detailing the treatment of the Issuer's secured creditors for the purposes of the Reserve Bank of India Circular No: DBR.No.BP.BC.101/21.04.048/2017-18 of 12 February 2018;

"**Registered Holder**" means a holder of the Notes in certificated form; and

"**Settlement Date**" means 27 August 2018 or such later date as is notified by the Issuer to the Noteholders in advance.

FIRST EXTRAORDINARY RESOLUTION

"THAT this meeting (the "**Meeting**") of the holders (the "**Holders**") of the US$300,000,000 Senior Secured 6.5 per cent. Notes due 2020 (ISIN: XS1216623022) of Reliance Communications Limited (the "**Notes**" and the "**Issuer**" respectively) constituted by the trust deed dated 6 May 2015 made between the Issuer and Standard Chartered Bank (as amended by the supplemental trust deed dated 20 March 2018 made between the Issuer and Madison Pacific Trust Limited as trustee (the "**Trustee**")) (the "**Trust Deed**") for the Holders hereby:

irrevocably approves, as a Reserved Matter, an arrangement whereby the Issuer will allocate to each Eligible Noteholder a contingent value right to receive, on the same terms and subject to the same conditions as are set forth in Condition 5(e) (*Mandatory Partial Redemption*) of the Conditions, a payment of cash in an amount equivalent to such Eligible Noteholder's *pro rata* entitlement to each of the Second Redemption Payment Amount and the Third Redemption Payment Amount, *in lieu* of the Issuer's obligation to each such Eligible Noteholder to effect the Second Partial Redemption and the Third Partial Redemption (collectively, "**Contingent Value Rights**") and all of the rights of those Eligible Noteholders under their Notes and the related rights under the Trust Deed to receive the Second Redemption Payment Amount and the Third Redemption Payment Amount, and all of the Issuer's liabilities and obligations to those Eligible Noteholders to pay the Second Redemption Payment Amount and the Third Redemption Payment Amount under the Notes and under the Trust Deed, shall be irrevocably cancelled and released, in each case, in consideration for the Contingent Value Rights. This arrangement will be documented in a Contingent Value Rights Deed the terms of which shall be agreed between the Issuer and the Trustee;

authorises, empowers and directs the Trustee and the Agents to concur in the proposal referred to in paragraph 1 of this First Extraordinary Resolution and, in order to give effect to and to implement the proposal, to execute and do all such deeds, agreements, instruments, acts and things as may be necessary, desirable or appropriate to carry out and give effect to the First Extraordinary Resolution and the implementation of the proposal referred to herein;

indemnifies, discharges and exonerates the Trustee and the Agents in respect of all liability for which it may have become or may become responsible under the Notes or the Trust Deed relating to the Notes in respect of any act or omission in connection with the proposal referred to in paragraph 1 of this First Extraordinary Resolution or its implementation;

sanctions and assents to every abrogation, amendment, modification, compromise or arrangement in respect of the rights of the Holders against the Issuer or any other person, whether or not such rights shall arise under the Trust Deed or otherwise, involved in or resulting from or to be effected by the proposal referred to in paragraph 1 of this First Extraordinary Resolution and its implementation;

acknowledges that neither the Trustee nor the Agents shall be responsible for acting upon this direction or this First Extraordinary Resolution (or any instruction given pursuant hereto) irrespective of any defect in the giving of this direction or the passing of this First Extraordinary Resolution or that for any reason the direction or the First Extraordinary Resolution or any of them is not valid or binding on the Holders; and

irrevocably waives any claim that the Holders may have against the Trustee, Agents and/or the Issuer which arise as a result of the Trustee and the Issuer following the direction in this First Extraordinary Resolution.

SECOND EXTRAORDINARY RESOLUTION

"THAT this meeting (the "**Meeting**") of the holders (the "**Holders**") of the US$300,000,000 Senior Secured 6.5 per cent. Notes due 2020 (ISIN: XS1216623022) of Reliance Communications Limited (the "**Notes**" and the "**Issuer**" respectively) constituted by the trust deed dated 6 May 2015 made between the Issuer and Standard Chartered Bank (as amended by the supplemental trust deed dated 20 March 2018 made between the Issuer and Madison Pacific as trustee (the "**Trustee**")) (the "**Trust Deed**") for the Holders hereby:

irrevocably approves, as a Reserved Matter, the modification of Condition 5, by deleting Condition 5 (b) (*Optional Redemption*) of the Notes in its entirety and replacing the same with the clause indicated below:

"(b) *Optional Redemption:* The Issuer may redeem the entire principal amount outstanding of Notes, *pro rata*, at a minimum redemption price of 3.5% of the principal amount of Notes redeemed, excluding any accrued or

unpaid interest up to and including the date of redemption; provided that at least 15% of the aggregate principal amount of the Notes have been or will be tendered or exchanged pursuant to the Exchange Offer.

Notwithstanding the provisions of Condition 4 *(Interest)* or any other applicable Condition, interest shall cease to accrue on the Notes from the date hereof ";

irrevocably waives the right of the Holders to receive accrued and unpaid interest on the Notes as of the last date paid and irrevocably waives any Event of Default that has occurred and is continuing in relation to, or pursuant to, Condition 8(a) *(Events of Default-Non-payment)*;

authorises, empowers and directs the Trustee and the Agents to concur in the modification referred to in paragraph 1 and the waivers referred to in paragraph 2 of this Second Extraordinary Resolution and, in order to give effect to and to implement the modification, forthwith to execute the second supplement to the Trust Deed (the "**Second Supplemental Trust Deed**"), in the form of the draft produced to this Meeting and for the purpose of identification signed by the chairman thereof and to concur in, and to execute and do, all such other deeds, agreements, instruments, acts and things as may be necessary, desirable or appropriate to carry out and give effect to this Second Extraordinary Resolution and the implementation of the modification referred to in paragraph 1 and the waivers referred to in paragraph 2 of this Second Extraordinary Resolution;

indemnifies, discharges and exonerates the Trustee and the Agents in respect of all liability for which it may have become or may become responsible under the Notes or the Trust Deed relating to the Notes in respect of any act or omission in connection with the modification referred to in paragraph 1 and the waivers referred to in paragraph 2 of this Second Extraordinary Resolution or its implementation;

sanctions and assents to every abrogation, amendment, modification, compromise or arrangement in respect of the rights of the Holders against the Issuer or any other person, whether or not such rights shall arise under the Trust Deed or otherwise, involved in or resulting from or to be effected by the modification referred to in paragraph 1 and the waivers referred to in paragraph 2 of this Second Extraordinary Resolution and its implementation;

acknowledges that neither the Trustee nor the Agents shall be responsible for acting upon this direction or this Second Extraordinary Resolution (or any instruction given pursuant hereto) irrespective of any defect in the giving of this direction or the passing of this Second Extraordinary Resolution or that for any reason the direction or the Second Extraordinary Resolution or any of them is not valid or binding on the Holders; and

irrevocably waives any claim that the Holders may have against the Trustee, Agents and/or the Issuer which arise as a result of the Trustee and the Issuer following the direction in this Second Extraordinary Resolution.

EXCHANGE OFFER

The Extraordinary Resolutions are being proposed by the Issuer as part of a restructuring of the Notes and other debt held by the Issuer's secured creditors and is being carried out concurrently with the Exchange Offer. Full details of the Exchange Offer will be disclosed to Holders in the Exchange Offer Memorandum which will be available from the Exchange, Information and Tabulation Agent, Lucid Issuer Services Limited, upon publication on or about 27 July 2018.

KEY DATES

Holders should take note of the following key dates in connection with the Meeting:

Date	Calendar Date/Time	Event
Notice of Meeting Date	19 July 2018	Holders are informed of the upcoming Meeting
Launch of Exchange Offer	On or around 27 July 2018	Holders are informed of the final terms of the Exchange Offer

Expiration Time on Expiration Date	9:00 a.m. (London time) on 8 August 2018	The time prior to which Holders must validly deliver instructions with respect to the Extraordinary Resolutions
Meeting time, date and place	9:00 a.m. (London time) on 10 August 2018 at the offices of Paul Hastings (Europe) LLP, Ten Bishops Square, London, E1 6EG	The meeting of Holders to consider the Extraordinary Resolutions, as described in the Notice
Announcement of the Meeting Results	As soon as practicable after the Meeting	The date on which the result of the Meeting is announced by the Issuer
Expiration of Exchange Offer	9:00 a.m. (London time) on 24 August 2018	The time and date on which the Exchange Offer expires, prior to which Holders must validly deliver instructions with respect to the Exchange Offer
Optional Redemption	On or around 27 August 2018	If the Second Extraordinary Resolution is approved and a minimum of 15% of the aggregate principal amount of the Notes is tendered or exchanged pursuant to the Exchange Offer, the Issuer may redeem Notes which have not been tendered or exchanged
Settlement Date	On or around 27 August 2018	The date on which the Exchange Offer settles

VOTING AND QUORUM

Meeting Provisions

The provisions governing the convening and holding of the Meeting (the "**Meeting Provisions**") are set out in Schedule 3 to the Trust Deed, a copy of which is available for inspection at the registered offices of the Trustee and the specified offices of each of the Agents. Holders may vote on the proposed Extraordinary Resolutions by either delivering voting instructions through the Clearing Systems to instruct the Registered Holder to appoint the Exchange, Information and Tabulation Agent as proxy or, if the Holder wishes a different person to be appointed as proxy in respect of the Notes it holds, arranging for such other person to be so appointed. The voting procedures for each method of voting are set out below.

Appointment of Proxy

The Registered Holder may, by a document in the English language available from the Registrar signed by a Holder or, in the case of a corporation, executed under its seal or signed on its behalf by a duly authorised officer of the corporation and delivered to the specified office of the Registrar not later than 48 hours before the time fixed for such meeting, appoint a named individual or individuals to vote in respect of the Notes held by such Registered Holder.

The Registered Holder is the holder of Notes for these purposes and may appoint such proxies or representatives in accordance with the electronic voting instructions that it receives from Direct Participants through the Clearing Systems.

Appointing a Different Person as Proxy

Holders who wish a different person to be appointed as their proxy to attend and vote at the relevant Meeting (or any adjourned Meeting) should contact the relevant Clearing System to make arrangements for such person to be appointed as a proxy by the Registered Holder in respect of the Notes in which they have an interest for the purposes of attending and voting at the relevant Meeting (or any adjourned Meeting).

Beneficial Owners who are not Direct Participants must arrange through their broker, dealer, bank, custodian, trust company or other nominee to contact the Direct Participant through which they hold their Notes in the relevant Clearing System so that it may arrange for such person to be appointed as a proxy by the Registered Holder in respect of the Notes in which they have an interest. Any such person must be appointed as proxy at or prior to the Expiration Time on the Expiration Date.

Voting in Person

A Beneficial Owner who wishes to attend and vote at the Meeting should submit, or if not a Direct Participant, arrange for its Direct Participant to submit, voting instructions through the Clearing Systems arranging for their appointment as a proxy by the Registered Holder, in each case in accordance with the customary procedures in place at the Clearing Systems.

Voting Instructions

Electronic instructions may be revoked up to the Expiration Time on the Expiration Date. Any defects or irregularities in connection with the giving of electronic voting instructions must be cured within such time as is permitted in accordance with the procedures of the relevant Clearing System. Neither the Issuer nor the Trustee, the Principal Paying Agent, the Exchange, Information and Tabulation Agent or any other person will be under any duty to give notification of any defects or irregularities in such electronic voting instructions nor will such entities incur any liability for failure to give such notification. Such electronic voting instructions will not be deemed to have been delivered until such defects or irregularities have been cured or waived.

Required Quorum

For both Extraordinary Resolutions, the quorum is two or more persons being or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes.

If within 15 minutes after the time fixed for the Meeting a quorum is not present in order to transact the business of proposing both Extraordinary Resolutions, the Issuer and the Trustee may agree to dissolve the Meeting. Otherwise, the Meeting shall be adjourned for such period, being not less than 14 days nor more than 42 days after the first meeting, and on a date, and at a time and place approved by the Trustee and can be called upon giving at least 10 clear days' notice.

If the Meeting is adjourned for lack of quorum, it is the Issuer’s intention to arrange for a notice convening the adjourned Meeting to be published as soon as reasonably practicable (in accordance with the Trust Deed) following such adjournment.

Required Votes

Each of the First Extraordinary Resolution and the Second Extraordinary must be passed at a Meeting duly convened and held in accordance with the provisions of Schedule 3 to the Trust Deed by a majority of at least three quarters of the votes cast (the "**Required Votes**"). The effectiveness of each Extraordinary Resolution is described further below under "**Consequences of the Extraordinary Resolutions Being Approved**".

Voting Procedures at the Meeting

Every question submitted to the Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the chairman's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution. Where there is only one voter, this paragraph shall not apply and the resolution will immediately be decided by means of a poll.

A demand for a poll shall be valid if it is made by the chairman, the Issuer, the Trustee or one or more voters representing or holding not less than one fiftieth of the aggregate principal amount of the outstanding Notes. The poll may be taken immediately or after such adjournment as the chairman directs, but any poll demanded on the election of the chairman or on any question of adjournment shall be taken at the meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business as the chairman directs.

Every Voter shall have: (a) on a show of hands, one vote; and (b) on a poll, one vote in respect of each US$200,000 in aggregate face amount of the outstanding Note(s) represented or held by him or her.

Unless the terms of any voting instruction state otherwise, a voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same way.

In the event of a voting tie the chairman shall have a casting vote.

IMPORTANT NOTICE TO HOLDERS REGARDING ELECTRONIC VOTING INSTRUCTIONS

A Holder may communicate electronic voting instructions through the Clearing Systems to the Exchange, Information and Tabulation Agent as to how it wishes the votes in respect of the Notes beneficially owned by it to be cast at the Meeting.

The Clearing Systems will require electronic voting instructions with respect to the Extraordinary Resolutions for Holders who are their accountholders sufficiently in advance of the Expiration Time on the Expiration Date so that such instructions may be communicated to the Exchange, Information and Tabulation Agent prior to the stated deadline.

Holders whose Notes are held on their behalf by a Direct Participant, broker, dealer, commercial bank, custodian, trust company or accountholder must contact and request such Direct Participant, broker, dealer, commercial bank, custodian, trust company or accountholder to effect the relevant electronic voting instructions on their behalf sufficiently in advance of the Expiration Time on the Expiration Date in order for such instructions to be delivered to the Clearing Systems in accordance with any deadlines they may set and in time for transmission to the Exchange, Information and Tabulation Agent prior to the stated deadline.

Holders that are Direct Participants must provide their electronic voting instructions by transmitting them or procuring their transmission to the Clearing Systems, causing the Notes that are held by them to be blocked in the relevant Clearing System. A Holder may approve, reject, or abstain, in respect of the Extraordinary Resolutions, by communicating voting instructions in favour or against each of the Extraordinary Resolutions, or by abstaining from voting. Any voting instructions given by a Holder in favour or against the Extraordinary Resolutions will be effected at the meeting by the Exchange, Information and Tabulation Agent acting as proxy for the Registered Holders, provided such voting instructions are not revoked by such Holders. Holders may also arrange for a different person to attend and vote at the Meeting by contacting the relevant Clearing System.

Voting instructions must be given to the Exchange, Information and Tabulation Agent by delivery of an electronic voting instruction or otherwise in accordance with the usual procedures of the Clearing Systems. (See "**Voting and Quorum**" above.) If the Extraordinary Resolutions are passed at the Meeting, each Holder will be bound by the Extraordinary Resolutions, without regard to whether or not such Holder was present at such Meeting and whether or not such Holder voted in favour of the Extraordinary Resolutions.

By delivering instructions pursuant to any of the procedures described under "**Voting and Quorum**", a Holder shall be deemed to acknowledge receipt of this Notice and instruct the Trustee to take all necessary actions to execute the documentation referred to in each of the First Extraordinary Resolution and the Second Extraordinary Resolution, if the Extraordinary Resolutions are passed.

Instructions delivered pursuant to any of the procedures described under "**Voting and Quorum**" will constitute a binding agreement between such Holder and the Issuer upon the terms and subject to the conditions of this Notice and Holders will be deemed to have agreed to execute and deliver, upon request, any additional documents deemed by the Issuer to be necessary or desirable to perfect such Holder's instructions.

The delivery of an electronic voting instruction by a Holder will constitute a binding agreement between the Holder and the Issuer in accordance with the terms and subject to the conditions set out in this Notice and in the

electronic voting instruction. Such agreement will become binding upon receipt by the relevant Clearing System of a valid electronic voting instruction.

CONDITIONS TO THE EXTRAORDINARY RESOLUTIONS

The implementation of the Extraordinary Resolutions is subject to the following conditions:

(i) the First Partial Redemption having been effected to reduce the principal amount outstanding of the Notes prior to the Settlement Date;

(ii) with respect to the First Extraordinary Resolution only, the Required Votes having been received and the First Extraordinary Resolution having become effective;

(iii) with respect to the Second Extraordinary Resolution only, the Required Votes having been received and the Second Extraordinary Resolution having become effective;

(iv) the entry into and/or execution of binding documentation on or before 27 August 2018 relating to the restructuring of the debt held by the Bank Lenders in accordance with the Monetization and Resolution Plan;

(v) the tender or exchange of a minimum of 15% of the aggregate principal amount of the Notes outstanding pursuant to the Exchange Offer;

(vi) the absence of any law or regulation that would, and the absence of any injunction or action or other proceeding (pending or threatened) that could, make unlawful or invalid or enjoin the implementation of the Extraordinary Resolutions or question the legality or validity thereof; and

(vii) the absence of any law or regulation that would, and the absence of any injunction or action or other proceeding (pending or threatened) against Monetization and Resolution Plan that could, make unlawful or invalid or enjoin the implementation of the Monetization and Resolution Plan or question the legality or validity thereof.

The above conditions are for the sole benefit of the Issuer and may be asserted by the Issuer in its sole discretion, regardless of the circumstances giving rise to such condition, and may be waived by the Issuer, in whole or in part, in the Issuer's sole discretion, provided that the Required Votes of the Holders of the Notes are received. The Issuer has not made a decision as to what circumstances would lead the Issuer to waive any such condition, and any such waiver would depend on circumstances prevailing at the time of such waiver. Any determination by the Issuer concerning the events described in this section will be final and binding on all Holders of the Notes.

REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

Each Holder submitting a valid electronic voting instruction acknowledges, represents, warrants and undertakes, on each of the relevant times and dates specified, that:

(a) it has received, reviewed and accepts the terms, conditions and other considerations set forth in this Notice and understands that the Holder is consenting to the Extraordinary Resolutions upon the terms and subject to the conditions set forth in this Notice;

(b) with respect to a Holder delivering instructions, it authorizes, directs and requests the execution and delivery of the documentation referred to in this Notice with respect to the Extraordinary Resolutions;

(c) it is assuming all the risks inherent in participating in the Meeting and has undertaken all appropriate analyses of the implications of the Meeting without reliance on the Issuer, the Trustee, the Principal Paying Agent or the Exchange, Information and Tabulation Agent;

(d) it has observed the laws of all relevant jurisdictions, obtained all requisite governmental, exchange control or other required consents, complied with all requisite formalities and paid any issue, transfer or other taxes or requisite payments due from it in each respect in connection with any vote in favour or acceptance of the Extraordinary Resolutions, in any jurisdiction and that it has not taken or omitted to take any action in

breach of the representations or which will or may result in the Issuer or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with any votes in favour of the Extraordinary Resolutions;

(e) it has full power and authority to provide electronic voting instructions to appoint a proxy to vote in the Meeting in respect of all Notes which are the subject of that Holder's electronic voting instruction;

(f) each electronic voting instruction is made on the terms and conditions set out in this Notice;

(g) each electronic voting instruction is being submitted in compliance with the applicable laws or regulations of the jurisdiction in which the Holder is located or in which it is resident and no registration, approval or filing with any regulatory authority of such jurisdiction is required in connection with each such instruction;

(h) by blocking Notes in the relevant Clearing System, it will be deemed to consent to the relevant Clearing System providing details concerning the identity and clearing systems account number of the Direct Participant to the Issuer, the Trustee, the Principal Paying Agent, the Information and Tabulation Agent and their respective legal advisers;

(i) it instructs the Registered Holder to (i) appoint the Exchange, Information and Tabulation Agent as its proxy to vote at the Meeting in accordance with its directions or (ii) such other person as proxy to attend and vote at the Meeting, in each case in respect of all of the Notes in its account blocked in the relevant Clearing System;

(j) it agrees to ratify and confirm each and every act or thing that may be done or effected by the Issuer, Trustee and Agents any of its respective directors or any person nominated by the Issuer, Trustee and Agents in the proper exercise of his or her powers and/or authority hereunder;

(k) it agrees to do all such acts and things as shall be necessary and execute any additional documents deemed by the Issuer to be desirable, in each case to perfect any of the authorities expressed to be given hereunder, and also appoints the Exchange, Information and Tabulation Agent as its authorised attorney to do so on its behalf;

(l) it will, upon request, execute and deliver any additional documents and/or do such other things deemed by the Issuer to be necessary or desirable to effect delivery of the votes related to the Notes or to evidence such power and authority, and also appoints each of the Exchange, Information and Tabulation Agent as its authorised attorney to do so on its behalf;

(m) it holds and will hold, until the conclusion of the Meeting or any adjourned Meeting as the case may be, the Notes, blocked in the relevant Clearing System and, in accordance with the requirements of the relevant Clearing System and by the deadline required by the relevant Clearing System, it has submitted, or has caused to be submitted, an electronic voting instruction to the relevant Clearing System, as the case may be, to authorise the blocking of the Notes with effect on and from the date thereof so that no transfers of the Notes may be effected;

(n) it acknowledges that none of the Issuer, the Exchange, Information and Tabulation Agent, the Principal Paying Agent and the Trustee or any of their respective affiliates, directors or employees has made any recommendation as to whether to vote in favour of the Extraordinary Resolutions and it represents that it has made its own decision with regard to voting in respect of each of the Extraordinary Resolutions, based on any legal, tax or financial advice that it has deemed necessary to seek;

(o) it acknowledges that all authority conferred or agreed to be conferred pursuant to these acknowledgements, representations, warranties and undertakings and every obligation of the Holder offering to vote in favour of the Extraordinary Resolutions shall to the extent permitted by applicable law be binding upon the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of the Holder voting in favour of the Extraordinary Resolutions and shall not be affected by, and shall survive, the death or incapacity of the Holder voting in favour of the Extraordinary Resolutions, as the case may be;

(p) it acknowledges that no information has been provided to it by the Issuer, the Exchange, Information and Tabulation Agent, the Principal Paying Agent, the Trustee or any of their respective affiliates, directors or

employees with regard to the tax consequences to Holders arising from the implementation of the Extraordinary Resolutions and acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Meeting and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Issuer, the Exchange, Information and Tabulation Agent, the Principal Paying Agent, the Trustee or any of their affiliates, directors or employees or any other person in respect of such taxes and payments;

(q) it is not a person from whom it is unlawful to seek approval of the Extraordinary Resolutions, to receive this Notice or otherwise to participate in the Meeting;

(r) the terms and conditions of the Notice shall be deemed to be incorporated in, and form a part of, the electronic voting instruction which shall be read and construed accordingly and that the information given by or on behalf of such Holder in the electronic voting instruction is true and will be true in all respects at the time of the applicable Meeting;

(s) it is not a U.S. person; and

(t) it declares and acknowledges that he/she is not : (a) a person that is, or is owned or controlled by a person that is, described or designated as a "specially designated national" or "blocked person" in the most current U.S. Treasury Department list of "Specially Designated National and Blocked Persons" or an entity included in the Sectorial Sanctions Identifications List or in the European Union and UK Consolidated Lists of financial sanctions; (b) a person that is organized, resident or located in a country or territory subject to comprehensive or country-wide economic sanctions; (c) currently subject to, or in violation of, any sanctions under the laws and regulations that have been officially published and are administered or enforced by the U.S. Government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State), or any enabling legislation or executive order relating thereto; or any equivalent sanctions or measures officially published and imposed by the European Union, any member state of the European Union, the United Kingdom's Her Majesty's Treasury, the United Nations or any other relevant sanctions authority, including sanctions imposed against certain states, organizations and individuals under the European Union's Common Foreign & Security Policy; or (d) a person acting for or on behalf of any of the foregoing parties (each, a "**Sanctions Restricted Person**").

TERMINATION OR AMENDMENT

The Issuer reserves the right for any reason, in its sole discretion, to terminate or amend the Notice with respect to the Notes at any time prior to the Meeting by giving oral or written notice thereof to the Exchange, Information and Tabulation Agent. Notice of any termination or amendment this Notice by the Issuer will be made by press release or other public announcement. Failure of any Holder to be so notified will not affect the termination or amendment of this Notice.

GOVERNING LAW

The terms of this Notice and any non-contractual obligations arising out of or in connection with the Notice shall be governed by and construed in accordance with English law. By submitting an electronic voting instruction or otherwise appointing a proxy, a Holder irrevocably and unconditionally agrees for the benefit of the Issuer, Trustee and the Principal Paying Agent that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notice or any of the documents referred to herein or any non-contractual obligations arising out of or in connection with the Notice or such documents and that, accordingly, any suit, action or proceedings arising out of or in connection with the foregoing may be brought in such courts.

DOCUMENTATION

Drafts of the following documentation will be made available by the Issuer and the Exchange, Information and Tabulation Agent no later than 5 Business Days before the date fixed for the Meeting:

i. Exchange Offer Memorandum;

ii. Second Supplemental Trust Deed;

iii. Contingent Value Rights Deed; and

iv. such additional agreements, deeds, documents, letters, amendments or notices that may be required for the purposes of giving effect to the Extraordinary Resolutions.

CONSEQUENCES OF THE EXTRAORDINARY RESOLUTIONS BEING APPROVED

If the Extraordinary Resolutions are duly approved in accordance with the Trust Deed then they shall be binding on all the Holders, whether they vote in favour of any of the Extraordinary Resolutions or not, and each Holder shall be bound to give effect to the Extraordinary Resolutions, the Second Supplemental Trust Deed, the Contingent Value Rights Deed and any other document falling within the section in this Notice entitled "**Documentation**" accordingly.

The Extraordinary Resolutions are independent of each other such that if either of them fails and the other is passed, then whichever Extraordinary Resolution is passed shall be binding on all the Holders, whether they voted in favour of any of the Extraordinary Resolutions or not, and each Holder shall be bound to give effect to either of the Extraordinary Resolutions that has been approved by the requisite majority of Holders; provided, however, that in all circumstances described above, nothing in this Notice requires the Issuer to implement any of the Extraordinary Resolutions, even if they are approved.

None of the Trustee or the Agents take any responsibility for the accuracy or completeness of the information contained in any documents and records referred to herein, or for any failure by the Issuer to disclose events or circumstances which may have occurred or may affect the significance or accuracy of any such information. The Trustee will be relying solely on the certification of the Exchange, Information and Tabulation Agent that the Extraordinary Resolutions have been passed.

The Trustee shall be under no duty whatsoever to make any determination whether any execution, modification, amendment, supplement or confirmation to any document is necessary to implement the Extraordinary Resolutions and shall be entitled to conclusively rely on the documentation required to be provided under the terms of the Trust Deed in a form reasonably satisfactory to the Trustee.

This Notice is given by Reliance Communications Limited. Holders should contact the following for further information:

Issuer

Reliance Communications Limited
CIN: L45309MH2004PLC147531
H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710
Maharashtra, India
Attention: Mr. Prakash Shenoy, Company Secretary
Email: Prakash.Shenoy@relianceada.com

Exchange, Information and Tabulation Agent

Lucid Issuer Services Limited
Tankerton Works,
12 Argyle Walk
London WC1H 8HA
Telephone: +44 20 7704 0880
Attention: Yves Theis and Arlind Bytyqi
Email: reliance@lucid-is.com

Date: 19 July 2018

ANNEX C - INFORMATION REQUIRED IN THE ELECTRONIC TENDER OR EXCHANGE INSTRUCTIONS

Every Electronic Instructions shall contain the following information regarding the Existing Notes in respect of which it is submitted:

1. The name of the Direct Participant.

2. The principal amount of the Existing Notes, which are the subject of the Electronic Instruction.

3. Clearing System Account Number.

4. A confirmation that the Existing Notes subject to the Electronic Instruction are being blocked in the Cleaning System Account.