

UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER ENDED JUNE, 2006

(Rs in Crores)

Consolidated				Particulars	Alone - Parent Company			
Quarter ended June, 30		15 months Period ended June, 30	Year ended March, 31		Quarter ended June, 30		15 months Period ended June, 30	Year ended March, 31
2006	2005	2006	2005		2006	2005	2006	2005
Unaudited	Unaudited	Audited	Audited		Unaudited	Unaudited	Audited	Audited
109.94	108.31	533.53	385.84	<b>Net Sales &amp; Services</b>	12.31	47.67	204.93	173.09
118.40	74.32	446.95	370.53	- International	118.18	73.71	444.81	371.43
<b>228.34</b>	<b>182.63</b>	<b>980.48</b>	<b>756.37</b>	- Domestic	<b>130.49</b>	<b>121.38</b>	<b>649.74</b>	<b>544.52</b>
				<b>Total Net Sales &amp; Services</b>				
147.91	80.82	517.07	297.88	Cost of Sales & Services	86.11	47.22	327.08	172.49
24.15	28.64	139.59	96.57	Cost of Delivery	17.70	18.83	93.41	75.03
<b>56.28</b>	<b>73.17</b>	<b>323.82</b>	<b>361.92</b>	<b>Gross Profit</b>	<b>26.68</b>	<b>55.33</b>	<b>229.25</b>	<b>297.00</b>
9.08	8.49	40.61	41.52	Selling & Marketing Expenses	5.86	4.27	20.44	29.38
17.91	25.32	111.93	110.29	Administration Expenses	12.20	17.44	80.97	82.74
<b>29.29</b>	<b>39.36</b>	<b>171.28</b>	<b>210.11</b>	<b>Operating Profit before Other Income, Interest and Depreciation</b>	<b>8.62</b>	<b>33.62</b>	<b>127.84</b>	<b>184.88</b>
0.24	3.49	8.17	20.98	Interest ( Net ) and Finance Charges	(1.11)	3.18	5.12	20.79
9.63	22.51	101.15	92.38	Depreciation	9.48	22.00	99.11	90.72
(28.92)	NIL	(28.92)	NIL	Less : Reversal of Depreciation	(28.92)	NIL	(28.92)	NIL
<b>48.34</b>	<b>13.36</b>	<b>90.88</b>	<b>96.75</b>	<b>Operating Profit before Other Income and Tax</b>	<b>29.17</b>	<b>8.44</b>	<b>52.53</b>	<b>73.37</b>
16.82	(2.99)	9.62	29.15	Other Income ( incl. Exchange Gain / ( Loss ) (Net))	14.41	(2.37)	15.14	31.58
<b>65.16</b>	<b>10.37</b>	<b>100.50</b>	<b>125.90</b>	<b>Profit before Tax &amp; Extra-ordinary Items</b>	<b>43.58</b>	<b>6.07</b>	<b>67.67</b>	<b>104.95</b>
0.93	0.86	2.89	1.98	Provision for Tax	0.50	0.25	1.51	1.02
0.66	(2.61)	(9.53)	6.39	Deferred Tax	0.61	(2.49)	(9.64)	6.34
0.22	0.46	1.88	NIL	Fringe Benefit Tax	0.29	0.46	1.88	NIL
<b>63.35</b>	<b>11.66</b>	<b>105.26</b>	<b>117.53</b>	<b>Net Profit after Tax</b>	<b>42.18</b>	<b>7.85</b>	<b>73.92</b>	<b>97.59</b>
<b>85.57</b>	<b>76.41</b>	<b>85.57</b>	<b>74.13</b>	<b>Paid-up Equity Share Capital</b>	<b>85.57</b>	<b>76.41</b>	<b>85.57</b>	<b>74.13</b>
<b>878.97</b>	<b>1,439.39</b>	<b>878.97</b>	<b>1,407.83</b>	<b>Reserves Excluding Revaluation Reserves</b>	<b>811.42</b>	<b>1,406.56</b>	<b>811.42</b>	<b>1,376.01</b>
				EPS excluding extra-ordinary items - Basic (in Rs.)	5.28	1.05	9.26	13.60
				EPS excluding extra-ordinary items - Diluted (in Rs.)	4.64	0.83	7.90	9.82
				Aggregate of non-promoter shareholding				
				Number of shares	54,463,102	55,056,792	54,463,102	53,539,690
				Percentage of shareholding	63.65%	72.05%	63.65%	72.22%

Place : Mumbai.

Date : July 31 , 2006

Manoj Tiroadkar  
Chairman and Managing Director

**GTL Limited (Consolidated) - Unaudited Segment-wise business performance for the quarter ended June 30, 2006**

(Rs. in Crores)

	Particulars	Quarter ended June,30		Period Ended June, 30 ( 15 months )	Year Ended March, 31 (12 months )
		2006	2005	2006	2005
<b>I</b>	<b><u>Segment Revenue</u></b>				
A	Network Engineering	184.32	102.38	613.93	370.69
B	I.T Services	44.02	80.25	366.55	385.68
	<b>Net Revenue from Operations</b>	<b>228.34</b>	<b>182.63</b>	<b>980.48</b>	<b>756.37</b>
<b>II</b>	<b><u>Segment Profit before Tax &amp; Interest</u></b>				
A	Network Engineering ( including reversal of Depreciation of Rs.5.76 cr ) *	37.21	17.73	101.72	84.11
B	I.T. Services ( including reversal of Depreciation of Rs.21.06 cr ) *	23.81	6.94	39.86	79.14
	<b>Total</b>	<b>61.02</b>	<b>24.67</b>	<b>141.58</b>	<b>163.25</b>
	Less : Interest and Financial Charges	0.24	3.49	8.17	20.98
	Less : Other un-allocable expenditure (net of income) ( including reversal of Depreciation Rs.2.10 cr ) *	(4.38)	10.81	32.91	16.37
	<b>Operating Profit before Tax</b>	<b>65.16</b>	<b>10.37</b>	<b>100.50</b>	<b>125.90</b>
<b>III</b>	<b><u>Capital Employed</u></b>				
A	Network Engineering	246.31	423.35	246.31	328.63
B	I.T. Services	231.86	438.95	231.86	468.68
C	Others	724.13	648.00	724.13	674.81
	<b>Total</b>	<b>1,202.30</b>	<b>1,510.30</b>	<b>1,202.30</b>	<b>1,472.12</b>

\* The reversal of Depreciation is as per the Scheme of arrangement ( effective from 1st October,2005 ) as approved by The Hon. High Court of Judicature at Bombay vide its order dt 28th April,2006.

Place : Mumbai.  
Date : July 31 , 2006

Manoj Tirolkar  
Chairman and Managing Director

**Notes:**

1. The above results for the quarter ended June 30th, 2006 were taken on record by the Board of Directors in their meeting held on July 31st, 2006.
2. Consolidated Net Sales and Services for the quarter ended June 30th, 2006 stood at Rs. 228.34 crores as against Rs. 182.63 crores in the corresponding period of the previous year.
3. The Board of Directors, subject to shareholders' approval, recommended for the period ended June 30th, 2006 (15 months period) :
  - a. One time Special dividend of Rs. 18 per share (180% on par value of Rs. 10 per share) and
  - b. Regular dividend of Rs. 2 per share (20% on par value of Rs. 10 per share)
4. Details of expenses exceeding 10% of the total expenditure:

Particulars	Consolidated			Standalone		
	Quarter ended		Year/Period ended	Quarter ended		Year/Period ended
	June 30, 2006	June 30, 2005	March 31, 2005	June 31, 2006	June 31, 2005	March 31, 2005
Staff Costs	33.81	38.36	154.99	24.88	26.33	112.30

5. The Company had issued FCCBs aggregating to 80 million Swiss Francs in the Swiss Capital Market in August 2004. Out of this till date, FCCBs aggregating to 32.43 million Swiss Francs have been converted into 11,741,477 Equity Shares of the Company at Rs.103 per share as per the terms of issue.

During the period under review, the Company De-merged its EBI unit with the approval of the Hon. High Court of Judicature at Bombay. In terms of the said De-merger a part of the FCCB liability amounting to Rs.1,722.30 lacs (4.62 million Swiss Francs) was transferred to GTL Infrastructure Ltd. ( GIL), the transferee company.

6. The Company has 761,604 outstanding warrants issued to its employees as of June 30th, 2006 under the ESOP scheme. During the quarter ended June 30th, 2006 warrants aggregating 2,232,863 (corresponding previous quarter: 292,652) have been converted into equity shares under the said ESOP scheme.
7. Scheme of Arrangement: Consequent upon the receipt of the approval from the Hon. High Court of Judicature at Bombay, Company has accounted for the Scheme of Arrangement.
8. The total manpower of the Company as of June 30th, 2006 stood at 3,854 as against 4,725 in the corresponding quarter ending March 31<sup>st</sup>, 2005.
9. Status of investor grievances for the quarter ended June 30th, 2006:

No. of complaints			
Pending as at 01.04.2006	Received during the quarter	Disposed during the quarter	Lying unresolved as at 30.6.2006
0	3	3	0

10. Upon the allotment of shares by GIL to GTL shareholders on July 17, 2006, in terms of the order of the Hon. High Court of Bombay and induction of Foreign Direct Investment (FDI) by GIL, GTL shareholding has come down to 41.50%. Historically, the financials of GIL were not consolidated as the control was strategic and for temporary period.
11. The figures for the corresponding quarter of the previous year are regrouped/ reclassified wherever necessary to make them comparable with that of the current quarter. The figures for the 15 months period are not comparable to the previous year, that being of 12 months.

For GTL Limited

Date: July 31st, 2006  
Place: Mumbai

Manoj Tirodkar  
Chairman and Managing Director