

## Press Release

### For Immediate circulation

|                    |                 |                                     |                          |
|--------------------|-----------------|-------------------------------------|--------------------------|
| BSE: <b>500160</b> | NSE: <b>GTL</b> | Reuters: <b>GTL.BO &amp; GTL.NS</b> | Bloomberg: <b>GTS.IN</b> |
|--------------------|-----------------|-------------------------------------|--------------------------|

## **GTL registers Revenue of ₹ 664.14 Crore and EBITDA of ₹ 68.43**

### **Highlights for the quarter ended September 30, 2011**

- Consolidated Revenue from Global Operations was ₹ 664.14 Crore for the quarter ended September 30, 2011 as against ₹ 836.06 Crore for the corresponding period in the previous year.
- EBITDA for the quarter ended September 30, 2011 was ₹ 68.43 Crore as against ₹ 133.75 Crore for the corresponding quarter in the previous year.

### **Mumbai, November 14, 2011**

GTL Limited today announced the un-audited results of the Company (including its international subsidiaries on consolidated basis) for the quarter ended September 30, 2011.

The gross profit for the quarter ended September 30, 2011 was ₹ 108.75 Crore as against ₹ 189.90 Crore during the corresponding period in the previous year.

The Selling & Marketing Expenses were ₹ 11.97 Crore in the current quarter as against ₹ 18.23 Crore in the corresponding period for the previous year. Administration Expenses were ₹ 28.35 Crore in the current quarter as against ₹ 37.91 Crore in the corresponding period for the previous year. EBITDA for the quarter ended September 30, 2011 was ₹ 68.43 Crore as against ₹ 133.75 Crore during the corresponding period in the previous year.

Depreciation charged for the quarter stood at ₹ 30.70 Crore as against ₹ 19.64 Crore in the corresponding period of previous year.

## Manpower at GTL

The total manpower of the Company stood at 9,333 as on September 30, 2011, as against 7,121 as on September 30, 2010.

## About GTL Limited

GTL, a Global Group Enterprise, is a leading Network Services company, offering services and solutions to address the Network Life Cycle requirements of Telecom Carriers and Technology providers (OEMs).

Global Group is India's leading business group focused on Network Services and Shared Telecom Infrastructure. The Group has Operations in more than 40 countries, owns over 32,000 towers, employs people of 22 nationalities and supports 18 social causes. Global Group Enterprises have received more than 35 accolades and awards for excellence in Business, CSR and Corporate Governance.

For any further information & queries:

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## Safe Harbor:

This press release may contain predictions, estimates or other information regarding the Company's operations, which are forward looking in nature. While these forward looking statements represent our best current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially and may involve risk and uncertainty. This press release is prepared for general purposes only and does not have any regard to the specific investment objectives, financial situation and particular needs of any specific person. No liability for any loss will arise with the company as a result of the action taken on the basis of information contained herein. For a discussion of the risks and uncertainties that may cause results to differ, you should review GTL Limited's filings with stock exchanges, including the annual report and quarterly disclosures.

GTL LIMITED

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30,2011

₹ in Lacs. (except share data and ratios)

| Sr.No. | Particulars   | Consolidated                |                  |                   |
|--------|---|-----------------------------|------------------|-------------------|
|        |   | Quarter ended September 30, |                  | Period ended      |
|        |   | 2011                        | 2010             | June 30, 2011     |
|        |   | Unaudited                   | Unaudited        | (15 months)       |
|        |   | Unaudited                   | Unaudited        | Audited           |
| 1      | <b>Net Income from sales/services</b>   | <b>66,413.95</b>            | <b>83,606.02</b> | <b>396,415.16</b> |
| 2      | <b>Cost of sales /services</b>  |                             |                  |                   |
|        | a) (Increase )/ Decrease in Stock in trade and work in progress                                     | 434.30                      | (6,252.32)       | (14,337.23)       |
|        | b) Consumption of raw materials and services  | 44,654.26                   | 38,309.06        | 202,949.27        |
|        | c) Purchase of traded goods   | 860.14                      | 21,515.65        | 64,396.60         |
|        | d) Other expenditure ( Cost of Delivery)  | 9,590.23                    | 11,043.99        | 53,580.54         |
| 3      | <b>Gross Profit (1-2)</b>   | <b>10,875.02</b>            | <b>18,989.64</b> | <b>89,825.98</b>  |
| 4      | General Administrative Expenses   | 2,835.21                    | 3,791.37         | 20,237.23         |
| 5      | Selling & Distribution Expenses   | 1,196.83                    | 1,823.01         | 8,082.41          |
| 6      | Depreciation  | 3,069.58                    | 1,964.00         | 10,440.16         |
| 7      | <b>Operating Profit before Interest (3) - (4+5+6)</b>   | <b>3,773.40</b>             | <b>11,411.26</b> | <b>51,066.18</b>  |
| 8      | Interest ( net) & Finance cost ( net )  | 13,303.72                   | 2,007.11         | 22,732.13         |
| 9      | Exceptional items   | NIL                         | NIL              | NIL               |
| 10     | <b>Operating Profit /( Loss )after interest and Exceptional items (7-8-9)</b>                       | <b>(9,530.32)</b>           | <b>9,404.15</b>  | <b>28,334.05</b>  |
| 11     | Other Income [includes foreign exchange gain / (loss) - net]  | (1,940.24)                  | (169.71)         | 252.94            |
| 12     | <b>Profit (+) / Loss (-) from ordinary activities before tax (10-11)</b>                            | <b>(11,470.56)</b>          | <b>9,234.44</b>  | <b>28,586.99</b>  |
| 13     | Tax expense   |                             |                  |                   |
|        | a) Current Tax (net of MAT Credit )   | (217.84)                    | 1,990.78         | 5,189.84          |
|        | b) Deferred Tax   | (27.50)                     | 768.55           | 2,181.70          |
| 14     | <b>Net Profit (+) / Loss (-) from ordinary activities after tax (12-13)</b>                         | <b>(11,225.22)</b>          | <b>6,475.11</b>  | <b>21,215.45</b>  |
| 15     | Extraordinary items (net of tax expense)  | NIL                         | NIL              | NIL               |
| 16     | <b>Net profit (+)/ Loss (-) for the period (14-15)</b>  | <b>(11,225.22)</b>          | <b>6,475.11</b>  | <b>21,215.45</b>  |
| 17     | Share of Profit / (Loss ) in Associates   | (76.58)                     | (1,120.34)       | (1,382.32)        |
| 18     | Minority Interest   | (8.20)                      | (9.52)           | (7.84)            |
| 19     | Reserve on Consolidation  | (7.42)                      | (6.65)           | (1.36)            |
| 20     | <b>Net Profit after Tax attributable to Consolidated Group</b>                                      | <b>(11,317.42)</b>          | <b>5,338.60</b>  | <b>19,823.92</b>  |
| 21     | <b>Paid-up Equity Share Capital ( Face value of ₹ 10/- each)</b>                                    | <b>9,726.78</b>             | <b>9,672.45</b>  | <b>9,726.78</b>   |
| 22     | <b>Reserves Excluding Revaluation Reserves ( as per Balance Sheet ) of Previous Accounting Year</b> |                             |                  | <b>150,938.45</b> |
| 23     | <b>Earnings Per Shares (EPS) ( ₹ ) (Not Annualised )</b>  |                             |                  |                   |
|        | - Before Extraordinary items  |                             |                  |                   |
|        | a) Basic  | (11.64)                     | 5.52             | 20.44             |
|        | b) Diluted  | (11.43)                     | 5.45             | 20.23             |
|        | - After Extraordinary items   |                             |                  |                   |
|        | a) Basic  | (11.64)                     | 5.52             | 20.44             |
|        | b) Diluted  | (11.43)                     | 5.45             | 20.23             |
| 24     | <b>Public shareholding</b>  |                             |                  |                   |
|        | --- Number of Shares  | 74,440,601                  | 45,625,266       | 45,990,601        |
|        | --- Percentage of shareholding  | 76.53%                      | 47.17%           | 47.28%            |
| 25     | <b>Promoters and Promoter group Shareholding</b>  |                             |                  |                   |
|        | <b>a ) Pledged / Encumbered</b>   |                             |                  |                   |
|        | --- Number of shares  | 22,000,000                  | 0                | 22,000,000        |
|        | --- Percentage of shares ( as a % of the total shareholding of Promoter and Promoter group )        | 96.38%                      | 0.00%            | 42.90%            |
|        | --- Percentage of shares ( as a % of the total Share Capital of the Company )                       | 22.62%                      | 0.00%            | 22.62%            |
|        | <b>b ) Non-Encumbered</b>   |                             |                  |                   |
|        | --- Number of shares  | 827,232                     | 51,099,199       | 29,277,232        |
|        | --- Percentage of shares ( as a % of the total Shareholding of Promoter and Promoter group )        | 3.62%                       | 100.00%          | 57.10%            |
|        | --- Percentage of shares ( as a % of the total Share Capital of the Company )                       | 0.85%                       | 52.83%           | 30.10%            |

## Notes:

1. The above un-audited Financial results of the Company and its Subsidiaries (Group) for the quarter ended September 30, 2011 were reviewed by the audit committee and approved by the Board of Directors in its meeting held on November 14,2011
2. The Statutory Auditors of the Company have carried out a Limited Review of the results for the quarter ended September 30, 2011 in accordance with clause 41 of the Listing Agreement.
3. Details of expenses exceeding 10% of the total expenditure (Unless stated otherwise)

₹. Lacs

| Particulars | Consolidated      |                   |               | Standalone        |                   |               |
|-------------|-------------------|-------------------|---------------|-------------------|-------------------|---------------|
|             | Quarter ended     |                   | Year ended    | Quarter ended     |                   | Period ended  |
|             | September 30,2011 | September 30,2010 | June 30, 2011 | September 30,2011 | September 30,2010 | June 30, 2011 |
| Staff Costs | 9,168.18          | 11,796.80         | 56,744.44     | 4,348.76          | 4,664.70          | 23,826.09     |

## 4. Standalone Information

₹ in Lacs

| Particulars  | Quarter ended September 30, (Un-audited) |           | Period ended June 30, (Fifteen months ) (Audited) |
|--|--|-----------|---|
|  | 2011                                     | 2010      | 2011  |
| Revenues   | 54,515.88                                | 64,318.60 | 309,170.59  |
| Operating Profit before Depreciation, Interest, Other Income and tax | 5,144.89                                 | 10,421.65 | 49,554.83   |
| Profit / ( Loss ) before Tax   | (11,842.91)                              | 7,470.20  | 21,431.45   |
| Profit ( Loss ) after Tax  | (11,568.48)                              | 4,700.58  | 14,218.18   |

5. The Company's Share in Associate, Global Rural Netco Limited is accounted for based on Un-audited financial results for the period ended September 30,2011.The Company has as at September 30,2011 investment in GTL Infrastructure Limited (GIL) of ₹ 29,123.15 lacs and in Chennai Network Infrastructure Limited (CNIL) ₹ 151,312.20 lacs aggregating ₹ 180,435.35 lacs. This included Investment made for acquisition of tower assets from Aircel and its subsidiaries. CNIL has proposed a merger with GIL. GIL and CNIL have filed requisite merger petitions with the High Court of judicature at Bombay and Madras respectively. The proposed merger is effective from August 1, 2010 and will have impact on the Company's share in associates. In order to give appropriate financial impact, the share in associate in the resulting merged entity will be accounted post merger. This treatment being in preference to the Accounting Standard has been reported by Auditors.

6. Segment-wise Revenue, Result and Capital Employed in terms of clause 41 of the listing agreement :

₹ Lacs

|   | <b>Quarter ended<br/>Sep 30,2011<br/>(Un-audited)</b> |
|---|---|
| <b>Segment Revenue</b>  |   |
| 1.Network Services  | 43,943.31   |
| 2. Power Management   | 22,470.64   |
|   |   |
| <b>Total Segment Revenue</b>                                      | <b>66,413.95</b>                                      |
|   |   |
| <b>Segment Results ( Profit before Interest and Tax )</b>         |   |
| 1.Network Services  | 3,149.75  |
| 2. Power Management   | 1,086.82  |
| <b>Sub - Total</b>  | <b>4,236.57</b>                                       |
| Less : Interest Expenses  | 13,303.72   |
| Unallocable Corporate Expenditure and Other Income                | 2,403.41  |
|   |   |
| <b>Profit / (Loss) before Tax</b>                                 | <b>(11,470.56)</b>                                    |
|   |   |
| <b>Capital Employed (Segment Assets Less Segment Liabilities)</b> |   |
| 1.Network Services  | 317,578.75  |
| 2. Power Management   | 2,420.91  |
|   |   |
| <b>Total Capital employed in the Segments</b>                     | <b>319,999.66</b>                                     |
| <b>Un-allocable Corporate Assets less Liabilities</b>             |   |
| - Investments   | 218,809.46  |
| - Other than Investments  | 89,968.14   |
|   |   |
| <b>Total Capital Employed</b>                                     | <b>628,482.26</b>                                     |

Notes :

- i. The Company has **two** Reportable Segments viz. **"Network Services"** and **"Power Management"** since for the corresponding quarter of the last financial year, the Company had one reportable segment **" Network Services"** ,segmental information for the corresponding quarter is not furnished.
- ii. Segments have been identified in accordance with Accounting Standard (AS) 17 on Segment Reporting, considering risk /return profiles of the businesses, their organisational structure and the internal reporting system.

- iii. Segment Definition : **Network Services** comprises of Network Planning & Design, Network Deployment, Professional Services, Energy Management, Operational and Maintenance and Infrastructure Management. **"Power Management"** comprises Power Project – EPC and Power Distribution franchise.
- iv. Segment Revenue comprises of sales & services and operational income allocable specifically to a segment. Un-allocable expenditure mainly includes expenses incurred on common services provided to segments and other corporate expenses.

## 7. Statement of assets and liabilities ( Consolidated – Un-audited )

₹ in Lacs

| Particulars                                      | As at September 30, |                   |
|--|---------------------|-------------------|
|  | 2011                | 2010              |
| <b>Shareholders' funds</b>                       |                     |                   |
| (a) Share Capital                                | 9,726.78            | 9,672.45          |
| (b) Reserves and Surpluses                       | 146,187.36          | 140,634.81        |
| <b>Minority Interest</b>                         | 61.77               | 9.29              |
| <b>Loan Funds</b>                                | 472,506.35          | 368,278.50        |
| <b>Total</b>                                     | <b>628,482.26</b>   | <b>518,595.05</b> |
| <b>Fixed Assets</b>                              | 92,671.33           | 61,222.25         |
| <b>Investments</b>                               | 218,814.47          | 183,241.06        |
| <b>Deferred Tax Asset</b>                        | 295.52              | 1,281.42          |
| <b>Current Assets, Loans and Advances</b>        |                     |                   |
| (a) Inventories                                  | 39,485.39           | 38,967.63         |
| (b) Sundry Debtors                               | 124,553.13          | 46,800.63         |
| (c) Cash and Bank Balances                       | 42,727.79           | 214,659.69        |
| (d) Other Current Assets                         | 35,260.24           | 4,192.89          |
| (e) Loans and Advances                           | 246,010.91          | 105,202.17        |
| <b>Less : Current Liabilities and Provisions</b> |                     |                   |
| (a) Liabilities                                  | 169,487.10          | 134,108.66        |
| (b) Provisions                                   | 1,849.42            | 2,864.03          |
| <b>Net Current Assets</b>                        | <b>316,700.94</b>   | <b>272,850.32</b> |
| <b>Total</b>                                     | <b>628,482.26</b>   | <b>518,595.05</b> |

8. In terms of the Non-Disposal Undertaking-cum-Escrow Agreement with POA of the company, offered as security to IFCI Limited (IFCI) for their financial assistance of Rs.25,000 Lacs to CNIL, IFCI had created pledge on 27.37 Crore shares of the Company on July 13, 2011 (28.59% of total Share Capital of the Company). Out of these pledged shares, IFCI has sold 2 Lac shares in the market on 18th and 19th July and invoked the pledge in respect of 17.64 Crore shares (18.44% of total Share Capital of the Company) on July 20, 2011 and has issued a No Dues Certificate to CNIL on July 22, 2011. After invocation of shares, IFCI further sold 8.31 Lac shares in the market. Consequently, shareholding of the Company has come down from 58.34% to 39.90%. GTL limited, the pledgor has contested this appropriation and by an Order dated August 29, 2011, the Hon'ble Delhi High Court has held that IFCI was reverted to the position of a pledgee and continued to be a lender in CNIL. IFCI has challenged this Order and the matter is posted for hearing on November 16, 2011. However, since IFCI has not reverted the GIL shares to the pledge account of the Company and has contested the order of the Delhi HC dated August 29, 2011, the shares continue to remain in the possession of IFCI and till this

matter is resolved the company has written down the value of these investments in its books and has made a claim on CNIL equal to the book value of its investments.

9. That the Promoter and the Promoter Group had executed a Non-disposal Undertaking in favour of ICICI Bank Limited ("ICICI") on December 24, 2010 for 28.50 Crore Equity Shares of the Company. On July 4, 2011 ICICI has created a pledge on these shares. On July 26, 2011 ICICI has invoked the pledge on 28.50 Crore Equity Shares by transferring them to their account. The Company and the Promoter are in discussions with ICICI for settlement in this respect.

The Promoter and the Promoter Group shareholding in the Company have consequently reduced from 52.77% to 23.47% of the equity capital.

10. Corporate Debt Restructuring Empowered Group (CDR EG) in its meeting held on August 30, 2011 admitted the Company's proposal under CDR mechanism with support of the super majority lenders and a communication from CDR cell to the Company regarding its admission was made on September 19, 2011.
11. The Company did not have any unresolved investor complaint as on July 1, 2011 and as on September 30, 2011. There were two Investor complaints received and resolved during the quarter.
12. The figures for the previous period / year have been regrouped / rearranged / recast wherever considered necessary.
13. The Standalone Financial Results for the quarter ended September 30, 2011 of the Company will be available on the Company's website [www.gtllimited.com](http://www.gtllimited.com) from the close of business hours on November 14, 2011

***For GTL Limited***

**Date:** November 14, 2011

***Manoj Tirodkar***

**Place:** Mumbai

Chairman and Managing Director