



REF: GTL/CS-SE/2015-16/031

February 9, 2016

<b>Corporate Relations Dept., BSE Limited</b> Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Fort, Mumbai 400 001.	<b>Listing Dept., National Stock Exchange of India Ltd.</b> Exchange Plaza, 5th Floor, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.
BSE Code: 500160   NSE Symbol: GTL   ISIN: INE043A01012	

Dear Sir/s,

**Re: Outcome of the Board Meeting**

This is in continuation to our letter bearing Ref. No. GTL/CS-SE/2015-16/029 dated February 2, 2016 and pursuant to Regulations 30, 33 and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), we have to inform that the Board of Directors of the Company, in its meeting held today has:

- a) Approved the Unaudited Financial Results on standalone basis for the quarter and nine months ended December 31, 2015 (Q3). The meetings of the Audit Committee / Board of Directors / Business Authorization Committee of the Company commenced at 10:00 AM and concluded at 04:43 PM. A copy of the said results, notes thereto and Limited Review Report of the Auditors is enclosed for your records; and
- b) Discussed and noted submission of settlement proposal with Corporate Debt Restructuring (CDR), External Commercial Borrowings (ECB) and Non-convertible Debentures (NCD) lenders and the Company would like to draw your kind attention to the various communications submitted from time to time, particularly vide its letters dated September 25, 2014; February 23, 2015; February 24, 2015; March 20, 2015; September 30, 2015; notice convening its 27<sup>th</sup> Annual General Meeting held on September 23, 2015 and Postal Ballot Notice dated May 5, 2015 result of which was conveyed vide our letter dated September 30, 2015.

Upon completion of the sale of its core / non-core assets, business division(s), investments etc. to facilitate equitable settlement of its debts among CDR, ECB and NCD lenders further communications will be made as and when respective corporate actions are crystallised.

We request you to take the above information on your record.

Thanking you,

Yours truly,  
for **GTL Limited**

  
**Vidyadhar A. Apte**  
Company Secretary

  
**Milind Bapat**  
Chief Financial Officer

Encl. as above

*Note: This letter is submitted electronically with BSE & NSE through their respective web-portals.*

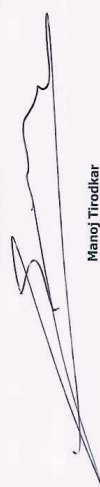
Sr. No.	Particulars	Standalone (Continuing and discontinued business operations)							
		Quarter ended December 31, 2015		Quarter ended December 31, 2014		Period ended December 31, 2015		Period ended December 31, 2014	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Income from Operations</b> Net Sales / Income from Operations ( Net of Service Tax ) Other Operating Income <b>Total Income from Operations ( Net )</b>	29,968.70 NIL <b>29,968.70</b>	31,196.00 NIL <b>31,196.00</b>	46,243.80 0.54 <b>46,244.34</b>	93,115.93 NIL <b>93,115.93</b>	171,549.42 5.60 <b>171,555.02</b>	206,935.21 5.60 <b>206,940.81</b>		
2	<b>Expenses</b> a) Cost of Material Consumed and Services b) Purchase of Stock - In - Trade c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade d) Employee benefits expenses e) Depreciation and amortisation expenses f) Other Expenses g) Net (Gain)/Loss on Foreign Currency Transactions <b>Total Expenses</b>	22,664.26 676.35 232.59 2,985.45 2,432.17 1,686.40 (729.62) <b>29,947.60</b>	23,285.80 1,108.57 (111.24) 3,301.86 2,488.59 8,396.44 (511.81) <b>37,958.21</b>	39,924.94 2,839.17 (1,138.37) 4,178.06 2,795.65 8,663.05 (569.78) <b>56,692.72</b>	71,105.86 3,411.94 (1,123.91) 9,786.31 7,450.84 17,290.38 (1,719.76) <b>107,558.21</b>	152,252.25 10,127.29 (1,123.91) 13,991.48 10,013.88 14,341.96 (2,030.60) <b>197,572.35</b>	174,519.72 13,254.61 (194.54) 17,255.16 12,622.56 15,709.66 (2,661.53) <b>230,505.64</b>		
3	<b>Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>21.10</b>	<b>(6,762.21)</b>	<b>(10,448.38)</b>	<b>(14,442.28)</b>	<b>(26,017.33)</b>	<b>(23,564.83)</b>		
4	Other Income	175.51	162.80	2,589.53	1,277.60	4,912.87	5,531.33		
5	<b>Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)</b>	<b>196.61</b>	<b>(6,599.41)</b>	<b>(7,858.85)</b>	<b>(13,164.68)</b>	<b>(21,104.46)</b>	<b>(18,033.50)</b>		
6	Finance costs	13,453.37	13,256.36	12,765.17	39,930.26	34,235.95	46,824.08		
7	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)</b>	<b>(13,256.76)</b>	<b>(19,855.77)</b>	<b>(20,624.02)</b>	<b>(53,094.94)</b>	<b>(55,340.41)</b>	<b>(64,857.58)</b>		
8	Exceptional Items (Refer Note 9 of Notes on Financial Results)	(121,726.32)	(69,999.04)	(21,949.33)	(196,703.56)	(7,771.67)	(15,271.67)		
9	<b>Profit / (Loss) from ordinary activities before tax (7 ± 8)</b>	<b>(134,983.08)</b>	<b>(89,854.81)</b>	<b>(42,573.35)</b>	<b>(249,798.50)</b>	<b>(63,112.08)</b>	<b>(80,129.25)</b>		
10	Tax expense	NIL	NIL	NIL	NIL	NIL	NIL		
11	<b>Net Profit / (Loss) from ordinary activities after tax (9 ± 10)</b>	<b>(134,983.08)</b>	<b>(89,854.81)</b>	<b>(42,573.35)</b>	<b>(249,798.50)</b>	<b>(63,112.08)</b>	<b>(80,129.25)</b>		
12	Extraordinary items	NIL	NIL	NIL	NIL	NIL	NIL		
13	<b>Net Profit / (Loss) for the period (11 ± 12)</b>	<b>(134,983.08)</b>	<b>(89,854.81)</b>	<b>(42,573.35)</b>	<b>(249,798.50)</b>	<b>(63,112.08)</b>	<b>(80,129.25)</b>		
14	Paid-up equity share capital (Equity Shares of Face Value of ₹ 10/- each)	15,729.68	15,729.68	15,729.68	15,729.68	15,729.68	15,729.68		
15	Reserves Excluding Revaluation Reserves as per Balance Sheet of Previous Accounting Year	NA	NA	NA	NA	NA	NA		
16 i	<b>Earnings Per Shares (Before Extraordinary Items)</b> (of ₹ 10/- each) (not annualised):								
	a) Basic	(85.82)	(57.13)	(27.07)	(158.82)	(40.12)	(50.95)		
	b) Diluted	(85.82)	(57.13)	(27.07)	(158.82)	(40.12)	(50.95)		
16 ii	<b>Earnings Per Shares (After Extraordinary Items)</b> (of ₹ 10/- each) (not annualised):								
	a) Basic	(85.82)	(57.13)	(27.07)	(158.82)	(40.12)	(50.95)		
	b) Diluted	(85.82)	(57.13)	(27.07)	(158.82)	(40.12)	(50.95)		

See accompanying note to the financial results

For GTL Limited

Place : Mumbai

Date : February 09, 2016


  
Manoj Tirotkar  
Chairman & Managing Director

**Notes:**

1. The above unaudited / audited financial results (Standalone) of the Company for the quarter / nine months ended December 31, 2015 have been reviewed by the audit committee and approved by the Board of Directors in its meeting held on February 09, 2016.
2. The Joint Auditors of the Company have carried out a Limited Review of the results for the quarter and nine months ended December 31, 2015 in accordance with Regulations 33 of the Securities and Exchange Board of India (Listing Obligations and Discloser Requirements) Regulations, 2015.

## 3. Segment-wise information:

₹ in Lacs

Particulars	Quarter ended December 31, 2015	Quarter ended September 30, 2015	Quarter ended December 31, 2014	Nine months ended December 31, 2015	Nine months ended December 31, 2014	Year ended March 31, 2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Segment Revenue</b>						
1. Network Services	29,968.70	31,193.93	33,230.98	92,987.06	101,037.48	135,438.70
2. Power Management	NIL	2.07	13,013.36	128.87	70,517.54	71,502.11
<b>Total Segment Revenue</b>	<b>29,968.70</b>	<b>31,196.00</b>	<b>46,244.34</b>	<b>93,115.93</b>	<b>171,555.02</b>	<b>206,940.81</b>
<b>Segment Results ( Profit / (Loss) before Interest and Tax )</b>						
1. Network Services	543.65	(886.31)	(4,178.36)	(7,435.89)	(5,805.83)	(2,862.00)
2. Power Management	NIL	(1,867.20)	(5,708.32)	(1,975.66)	(18,919.30)	(19,306.60)
<b>Sub – Total</b>	<b>543.65</b>	<b>(2,753.51)</b>	<b>(9,886.68)</b>	<b>(9,411.55)</b>	<b>(24,725.13)</b>	<b>(22,168.60)</b>
Less :						
Finance Cost	13,453.37	13,256.36	12,765.17	39,930.26	34,235.95	46,824.08
Un-allocable Corporate Expenditure net of Income	347.04	3,845.90	(2,027.83)	3,753.13	(3,620.67)	(4,135.10)
<b>Profit/(Loss) before exceptional item and tax</b>	<b>(13,256.76)</b>	<b>(19,855.77)</b>	<b>(20,624.02)</b>	<b>(53,094.94)</b>	<b>(55,340.41)</b>	<b>(64,857.58)</b>
Less : Exceptional items	121,726.32	69,999.04	21,949.33	196,703.56	7,771.67	15,271.67
<b>Profit / (Loss) after tax exceptional items</b>	<b>(134,983.08)</b>	<b>(89,854.81)</b>	<b>(42,573.35)</b>	<b>(249,798.50)</b>	<b>(63,112.08)</b>	<b>(80,129.25)</b>
<b>Capital Employed (Segment Assets Less Segment Liabilities)</b>						
1. Network Services	67,632.37	101,476.06	116,288.42	67,632.37	116,288.42	114,478.05
2. Power Management	7,839.26	7,842.10	9,352.82	7,839.26	9,352.82	8,992.01
<b>Total Capital employed in the Segments</b>	<b>75,471.63</b>	<b>109,318.16</b>	<b>125,641.24</b>	<b>75,471.63</b>	<b>125,641.24</b>	<b>123,470.06</b>
<b>Un-allocable Corporate Assets less Liabilities</b>						
- Investments	223,066.81	288,791.40	367,620.71	223,066.81	367,620.71	361,559.07
- Other than Investments	56,297.59	78,318.78	75,288.67	56,297.59	75,288.67	75,670.69
<b>Total Capital Employed</b>	<b>354,836.03</b>	<b>476,428.34</b>	<b>568,550.62</b>	<b>354,836.03</b>	<b>568,550.62</b>	<b>560,699.82</b>

**Notes:**

- i. Segments have been identified in accordance with Accounting Standard (AS) 17 on Segment Reporting, considering risk / return profiles of the businesses, their organizational structure and the internal reporting system.
  - ii. Post discontinuation of the Power Management segment which comprised of Power Distribution Franchise (DF) (discontinued in last financial year) and Power Project (EPC) (discontinued in previous quarter), the Company has one reporting segment i.e. Network Services predominantly for Telecom Sector.
  - iii. 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.
4. Disclosures as required by Accounting Standard (AS) 24 - Discontinuing Operations

The Board of Directors of the Company on 30th September, 2015 approved subject to receipt of all necessary consents from any governmental / regulatory/ judicial authorities, the lenders of the Company, sale of the Operation Maintenance and Energy Management (OME) business (part of Network Services) of the Company on going concern basis by slump sale. The aggregate consideration proposed to be received will be about ₹ 85,000 Lacs subject to due diligence adjustments. Following are the disclosures pertaining to OME business as required by Accounting Standard (AS) 24 – Discontinuing Operations.

₹ Lacs

Sr. No.	Particulars	Quarter ended December 31, 2015 (Unaudited)	Quarter ended September 30, 2015 (Unaudited)	Quarter ended December 31, 2014 (Unaudited)	Nine months ended December 31, 2015 (Unaudited)	Nine months ended December 31, 2014 (Unaudited)	Year ended March 31, 2015 (Audited)
1	Turnover	28,813.28	29,747.45	29,934.24	88,076.75	88,992.64	118,289.44
2	Other income	NIL	NIL	162.22	18.83	449.33	663.65
	<b>Total</b>	<b>28,813.28</b>	<b>29,747.45</b>	<b>30,096.46</b>	<b>88,095.58</b>	<b>89,441.97</b>	<b>118,953.09</b>
3	Cost of Material Consumed and Services	22,521.36	22,818.52	23,236.67	68,485.43	69,659.04	92,037.58
4	Employee benefits expenses	2,128.39	2,275.24	2,299.82	6,694.21	6,734.47	8,939.73
5	Other Expenses	854.34	745.55	1,208.37	2,463.31	3,215.59	4,030.79
6	Finance costs	1.66	1.66	1.96	7.43	11.81	19.68
7	Depreciation and amortisation expenses	122.80	122.59	123.77	368.97	1,153.17	1,277.34
	<b>Total</b>	<b>25,628.55</b>	<b>25,963.56</b>	<b>26,870.59</b>	<b>78,019.35</b>	<b>80,774.08</b>	<b>106,305.12</b>
8	<b>Profit or ( Loss) from ordinary activities before tax</b>	<b>3,184.73</b>	<b>3,783.89</b>	<b>3,225.87</b>	<b>10,076.23</b>	<b>8,667.89</b>	<b>12,647.97</b>
9	Exceptional Items	NIL	NIL	NIL	NIL	NIL	NIL
10	<b>Profit or (Loss) before tax</b>	<b>3,184.73</b>	<b>3,783.89</b>	<b>3,225.87</b>	<b>10,076.23</b>	<b>8,667.89</b>	<b>12,647.97</b>
11	Tax expense	NIL	NIL	NIL	NIL	NIL	NIL
12	<b>Profit or (Loss) after tax</b>	<b>3,184.73</b>	<b>3,783.89</b>	<b>3,225.87</b>	<b>10,076.23</b>	<b>8,667.89</b>	<b>12,647.97</b>
13	<b>Earnings Per Share</b>						
	a) Basic	2.02	2.41	2.05	6.41	5.51	8.04
	b) Diluted	2.02	2.41	2.05	6.41	5.51	8.04

As at December 31, 2015, the carrying amount of assets and liabilities pertaining to the above discontinued business operations are ₹ 11,826.06 Lacs and ₹ 16,206.35 Lacs respectively

5. In view of overall set back in Company's business operations and factors beyond Management control, in the last few years the Company has incurred cash losses, which has resulted in erosion of entire net-worth of the Company. The Company's current liabilities are higher than its current assets.

In the previous financial year some of the ECB lenders and the NCD holder initiated legal proceeding inter-alia winding-up petition filed by the NCD holder. These matters are currently sub-judice.

The Company has made a proposal for a negotiated / One Time Settlement plan (OTS) to all lenders namely CDR, ECB and NCD by sale of its core / non core assets, which is under consideration. In this direction, Board of Directors of the Company approved the sale of OME business and in this context, the Monitoring Institution appointed under CDR program has allowed the Company to seek regulatory approvals for the sale of OME business.

Pending Company's proposal for negotiated / One Time Settlement plan (OTS) , the Company continues to recognize its principal loan liability to CDR lenders as per the repayment terms specified in CDR package.

The Management is of view that the Company's settlement proposal / plan will be considered favorably. Resultantly, the doubt on the Company's inability to repay and meet its debt / liabilities would cease to exist and the Company which has been in service industry since its inception would be in a position to continue with the business operations.

Accordingly, the financial statements have been prepared on the basis that the Company is a going concern and no adjustments are required in the carrying value of assets and liabilities.

6. One of the associates of the Company has raised Optionally Convertible Loan (OCL) of ₹ 10,000 lacs from a Financial Institution. Put option given by the Company in respect of OCL is subject to all requisite approvals and permissions. The said financial institution has exercised its put option. The Company's associate has approached the said financial institution to work out possible solutions. Furthermore, as per the terms and conditions of Master Restructuring Agreement (MRA), the Company without prior approval of CDR Lenders / CDR EG cannot increase any indebtedness. Against the backdrop of above facts, the Company continues to treat liability under put option as a "contingent liability"

7. The Company holds non-current investments in associates, wholly owned subsidiary companies and other entities operating in telecom and related business field. In the past few years, the telecom sector and related ancillary businesses have been adversely impacted due to cancellation of 2G licenses, slower 3G & BWA growth, freeze on expansion by Telecom Operators, suspension of BSNL expansion plan and the general economic slowdown in telecom industry.

The business activities of some of the above companies have been severely affected due to the downtrend in telecom industry, thereby resulting in substantial erosion of net worth of these companies. During the quarter under review, the management is of the opinion that provision of ₹ 66,135.29 lac is required towards diminution in value of investment held in its subsidiaries and investment held in one of the associates. The said amount is shown as and included in "Exceptional Item".

In respect of non-current investments held by the Company in other associates, the carrying values of these investments are more than book values / market values. However, in the opinion of the management, provision for diminution in value of these investments is not required as such diminution is not other than temporary, considering the long term nature of these investments and future business prospects of these companies.

8. The Company in the past years had paid advances for procurement of material to execute large telecom projects such as BSNL mega tenders, Aircel and other telecom projects. In view of discontinuation of these projects, the Company was forced to cancel the procurement of material and initiate steps to recover these advances. The Company successfully negotiated with its suppliers and recovered part of the advances. As part of negotiated terms, the Company was required to assist the suppliers for procuring Bank Guarantees / SBLC. The Company was unable to meet this requirement resulting in suppliers raising disputes. Considering the present status of the negotiation with the suppliers, provision of ₹ 27,000.00 lacs is made towards these advances as a prudent accounting practice.

The Company carries out international business through its wholly owned subsidiaries. The Company in last 15 years supported expansion of international business operations by providing performance and financial guarantees / obligations. The Company's inability to extent support to these subsidiaries in the recent past coupled with down trend in the telecom sector resulted in devolvement of guarantees and incurrence of substantial losses and erosion of net worth of

these companies and also the discontinuation of business operations in 16 countries and 38 locations. The Company, on account of the same, as a matter of prudent accounting practice has made a provision of ₹ 28,591.03 lacs against the amount due from these companies.

Total provision of ₹ 55,591.03 lacs is shown as and included in "Exceptional Item"

9. The exceptional items of ₹ 121,726.32 Lacs for the quarter ended December 31, 2015 comprises of provision for diminution in value of Non-current Investments and provision against long term advances recoverable (For the quarter ended December 31, 2014 ₹ 21,949.33 lacs comprises of provision against long term advances and claims receivable ). For the nine months ended December 31, 2015, exceptional item of ₹ 196,703.56 lacs comprises of diminution in value of investments, provision against long term advances recoverable and claims receivable (For the nine month ended December 31, 2014 ₹ 7,771.67 Lacs (Net) are on account of Claims received from customers and paid to vendors and remission of principle loan liability and provision against long term advances and claims receivable ).
10. The managerial remuneration paid to Mr. Sunil S. Valavalkar – Whole Time Director is subject to approval from Central Government which is awaited.
11. Debenture Redemption Reserve is not created in view of non-availability of profit.
12. The figures for the previous quarter have been regrouped / rearranged / recast wherever considered necessary.

For GTL Limited

A handwritten signature in black ink, appearing to be 'Manoj Tirodkar', written over a horizontal line.

**Manoj Tirodkar**  
Chairman & Managing Director

**Date:** February 09, 2016  
**Place:** Mumbai



**GODBOLE BHAVE & CO**  
Chartered Accountants  
501, Kinara CHS Ltd,  
Mhatre Wadi Road, Dahisar (W),  
Mumbai – 400 068

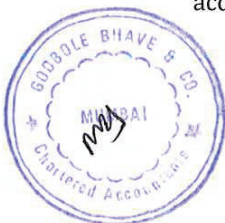
**YEOLEKAR & ASSOCIATES**  
Chartered Accountants  
11-12, Laxmi Niwas,  
Subhash Rd, Vile Parle (E),  
Mumbai – 400 057

### Independent Auditors' Review Report

To

**Board of Directors of GTL LIMITED**

1. We have reviewed the accompanying statement of unaudited standalone financial results of **GTL LIMITED ("the Company")** for the quarter and nine months ended 31<sup>st</sup> December, 2015 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except for the disclosures regarding 'Public Shareholding', 'Promoter and Promoter Group Shareholdings' and 'investor complaints' which have been traced from the disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on 9<sup>th</sup> February, 2016. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We draw your attention to the following notes to the accompanying unaudited results :
  - a) Note No. 5 to the unaudited standalone financial results which inter-alia describes/states:
    - i) the uncertainty related to the outcome of the winding up petition filed against the Company by the holders of Non Convertible Debentures issued by the Company as the matter is sub-judice.
    - ii) that the Company has incurred cash losses, its Net worth has been entirely eroded and the Company's current liabilities have exceeded its current assets as at 31<sup>st</sup> December, 2015. These conditions, along with other matters set forth in the said note, indicate the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements/results of the Company have been prepared on a going concern basis for the reasons stated in the said Note.
  - b) Note No.6 in the unaudited standalone financial results regarding the liability on account of put option exercised by financial institution for Optionally Convertible



Loan raised by one of the associates of the Company which is considered in the financials as contingent in nature for the reasons stated therein.

- c) Note No.7 in the unaudited standalone financial results which inter-alia states that the book values/market values of certain non current investments held by the Company referred to in the said note are lower than their carrying values and non provision for diminution in value of these investments for the reasons stated therein.
- d) Note No.10 in the unaudited standalone financial results regarding managerial remuneration paid to Mr. Sunil S. Valavalkar, Whole time director of the Company, which is subject to the approval of the Central Government.
4. As at 31<sup>st</sup> December, 2015, the Company has a Term Loan liability, Funded Interest Term Loan liability and liability of interest accrued thereon of Rs. 34,310.79 Lakhs payable to Standard Chartered Bank, Punjab National Bank and Catholic Syrian Bank, being the banks participating in Corporate Debt Restructuring scheme approved by CDR Empowered Group. However, confirmations of the above liability have not been received.
5. Based on our review conducted as above, **read with our comments in the preceding paragraphs 3 and 4 above**, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014, and other recognised accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Godbole Bhave & Co.**  
Chartered Accountants  
Firm Reg. No. - 114445W



**M.V. Bhave**  
Partner  
Membership No. - 038812



For **Yeolekar & Associates**  
Chartered Accountants  
Firm Reg. No. - 102489W



**S. S. Yeolekar**  
Partner  
Membership No. -036398



Place: Mumbai  
Date: February 9, 2016