



REF: GTL/CS-SE/2014-15/041

October 30, 2014

The Secretary
BSE Limited

Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Fort, Mumbai 400 023.

The Secretary

National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai 400 051.

Dear Sir,

Re: Board Meeting

This is in continuation to our letter bearing Ref. No. GTL/CS-SE/2014-15/039 dated October 20, 2014 and pursuant to Clause 41 and other applicable clauses, if any, of the Listing Agreement, we have to inform that the Board of Directors of the Company, in its meeting held today has:

1. Approved the Unaudited Financial Results on standalone basis for the Quarter and Half year ended September 30, 2014. A copy of the said results, notes thereto and review report of the Auditors is enclosed for your records.
2. Approved the merger of Wholly Owned Subsidiary of the Company viz. ADA Cellworks Wireless Engineering Private Limited with the Company, subject to necessary consents from regulators / court / lenders as may be required in this regard.

Thanking you,

Yours truly,
for **GTL Limited**

Vidyadhar A. Apte
Company Secretary

Milind Bapat
Chief Financial Officer

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

GTL LIMITED
Statement of Standalone Unaudited Results for the Quarter and half year Ended 30-September-2014

₹ in Lakhs (except share data and ratios)

Sr.No.	Particulars	Standalone - Parent Company					
		Quarter ended September 30, 2014	Quarter ended June 30, 2014	Quarter ended September 30, 2013	Period ended September 30, 2014	Period ended September 30, 2013	Year ended March 31, 2014
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
	Net Sales / Income from Operations (Net of Excise Duty)	65,786.20	59,519.42	53,463.23	125,305.62	109,617.45	226,507.60
	Other Operating Income	0.39	4.67	0.82	5.06	0.85	3.65
	Total Income from Operations (Net)	65,786.59	59,524.09	53,464.05	125,310.68	109,618.30	226,511.25
2	Expenses						
a)	Cost of Material Consumed and Services	59,146.25	53,316.42	44,354.83	112,462.67	89,685.06	179,942.49
b)	Purchase of Stock - in - trade	5,932.74	1,355.39	840.04	7,288.12	2,669.84	9,246.11
c)	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	439.21	(560.10)	671.61	(120.89)	561.98	(89.84)
d)	Employee benefits expenses	4,213.80	5,599.61	3,457.13	9,813.42	7,147.16	15,832.91
e)	Depreciation and amortisation expenses	2,842.50	4,375.73	2,673.22	7,218.23	5,515.40	11,094.54
f)	Other Expenses	3,395.00	2,283.91	1,433.27	5,678.91	2,739.19	8,291.42
g)	Net (Gain)/Loss on Foreign Currency Transactions	(1,178.80)	(282.01)	169.16	(1,460.82)	1,132.98	(1,877.31)
	Total Expenses	74,790.70	66,088.94	53,599.26	140,879.64	109,451.61	222,440.33
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(9,004.11)	(6,564.85)	(135.21)	(15,568.96)	166.69	4,070.92
4	Other income	1,403.47	919.88	394.97	2,323.34	694.76	5,433.27
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)	(7,600.64)	(5,644.97)	259.76	(13,245.62)	861.45	9,504.19
6	Finance costs	13,023.49	8,447.30	14,168.34	21,470.78	27,404.72	53,964.13
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)	(20,624.13)	(14,092.27)	(13,908.58)	(34,716.40)	(26,543.27)	(44,459.94)
8	Exceptional items	NIL	14,177.66	NIL	14,177.66	NIL	NIL
9	Profit / (Loss) from ordinary activities before tax (7 ± 8)	(20,624.13)	85.39	(13,908.58)	(20,538.74)	(26,543.27)	(44,459.94)
10	Tax expense	NIL	NIL	NIL	NIL	(39.79)	2,517.86
11	Net Profit / (Loss) from ordinary activities after tax (9 ± 10)	(20,624.13)	85.39	(13,908.58)	(20,538.74)	(26,503.48)	(46,977.80)
12	Extraordinary items	NIL	NIL	NIL	NIL	NIL	NIL
13	Net Profit / (Loss) for the period (11 ± 12)	(20,624.13)	85.39	(13,908.58)	(20,538.74)	(26,503.48)	(46,977.80)
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						2,050.46
16	Earnings Per Shares (Before Extraordinary items)						
16 i	(of ₹ 10 /- each) (not annualised):						
	a) Basic	(13.11)	0.05	(8.84)	(22.07)	(16.85)	(29.87)
	b) Diluted	(13.11)	0.05	(8.84)	(22.07)	(16.85)	(29.87)
16 ii	Earnings Per Shares - After Extraordinary items						
	(of ₹ 10 /- each) (not annualised):						
	a) Basic	(13.11)	0.05	(8.84)	(13.06)	(16.85)	(29.87)
	b) Diluted	(13.11)	0.05	(8.84)	(13.06)	(16.85)	(29.87)
17	Debt Service Coverage Ratio (DSCR) (no.of times)	NA	NA	NA	0.13	0.10	0.06
18	Interest Service Coverage Ratio (ISCR) (no.of times)	NA	NA	NA	0.31	0.13	0.30

See accompanying note to the Financial Results

PART II

Select Information for the Quarter / half year Ended 30-Sept-2014

Sr.No.	Particulars	Quarter ended September 30,	Quarter ended June 30,	Quarter ended September 30,	Period ended September 30,	Period ended September 30,	Year ended March 31,
		2014	2014	2013	2014	2013	2014
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding						
	--- Number of Shares	87,716,787	87,716,787	87,716,787	87,716,787	87,716,787	87,716,787
	--- Percentage of shareholding	55.76%	55.76%	55.76%	55.76%	55.76%	55.76%
2	Promoters and Promoter group Shareholding						
	a) Pledged / Encumbered						
	--- Number of shares	69,099,435	69,099,435	69,099,435	69,099,435	69,099,435	69,099,435
	--- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	99.31%	99.31%	99.31%	99.31%	99.31%	99.31%
	--- Percentage of shares (as a % of the total Share Capital of the Company)	43.93%	43.93%	43.93%	43.93%	43.93%	43.93%
	b) Non-Encumbered						
	--- Number of shares	480,559	480,559	480,559	480,559	480,559	480,559
	--- Percentage of shares (as a % of the total Shareholding of Promoter and Promoter group)	0.69%	0.69%	0.69%	0.69%	0.69%	0.69%
	--- Percentage of shares (as a % of the total Share Capital of the Company)	0.31%	0.31%	0.31%	0.31%	0.31%	0.31%

	Particulars	3 months ended September 30, 2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	NIL
	Received during the quarter	NIL
	Disposed off during the quarter	NIL
	Remaining unresolved at the end of the quarter	NIL

Place : Mumbai
Date : October 30, 2014

For GTL Limited



Manoj Tirodkar
Chairman and Managing Director

GTL LIMITED



Notes:

1. The above unaudited / audited financial results of the Company for the quarter / half year ended September 30, 2014 have been reviewed by the audit committee and approved by the Board of Directors in its meeting held on October 30, 2014.
2. The Joint Auditors of the Company have carried out a Limited Review of the results for the quarter and half year ended September 30, 2014 in accordance with clause 41 of the Listing Agreement.
3. Segment-wise Revenue, Result and Capital Employed in terms of clause 41 of the listing agreement :

₹ in Lakhs

Particulars	Quarter ended September 30, 2014	Quarter ended June 30, 2014	Quarter ended September 30, 2013	Six months ended September 30, 2014	Six months ended September 30, 2013	Year ended March 31, 2014
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment Revenue						
1. Network Services	37,351.73	30,454.77	28,043.98	67,806.50	57,855.30	116,613.74
2. Power Management	28,434.86	29,069.32	25,420.07	57,504.18	51,763.00	109,897.51
Total Segment Revenue	65,786.59	59,524.09	53,464.05	125,310.68	109,618.30	226,511.25
Segment Results (Profit / (Loss) before Interest and Tax)						
1. Network Services	45.99	(1,673.46)	2,105.53	(1,627.47)	5,368.85	10,765.18
2. Power Management	(9,533.46)	(3,677.52)	(1,425.83)	(13,210.99)	(2,806.20)	(6,817.67)
Sub – Total	(9,487.48)	(5,350.98)	679.70	(14,838.46)	2,562.65	3,947.51
Less : Finance Cost	13,023.49	8,447.30	14,168.34	21,470.78	27,404.72	53,964.13
Un-allocable Corporate Expenditure net of Income	(1,886.83)	293.99	419.94	(1,592.84)	1,701.20	(5,556.68)
Profit/(Loss) before exceptional item and tax	(20,624.13)	(14,092.27)	(13,908.58)	(34,716.40)	(26,543.27)	(44,459.94)
Less : Exceptional items	NIL	14,177.66	NIL	14,177.66	NIL	NIL
Profit / (Loss) after tax exceptional items	(20,624.13)	85.39	(13,908.58)	(20,538.74)	(26,543.27)	(44,459.94)
Capital Employed (Segment Assets Less Segment Liabilities)						
1. Network Services	138,858.18	159,175.55	248,429.79	138,858.18	248,429.79	198,504.93
2. Power Management	20,689.56	22,196.00	21,335.70	20,689.56	21,335.70	26,202.26
Total Capital employed in the Segments	159,547.74	181,375.55	269,765.49	159,547.74	269,765.49	224,707.19
Un-allocable Corporate Assets less Liabilities						
- Investments	365,420.37	362,475.94	330,082.99	365,420.37	330,082.99	366,799.30
- Other than Investments	65,204.93	60,144.56	69,665.01	65,204.93	69,665.01	50,320.24
Total Capital Employed	590,173.04	603,992.05	669,513.49	590,173.04	669,513.49	641,826.73

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. Segment Definition: Network Services comprises of Network Planning & Design, Network Deployment, Professional Services, Energy Management, Operational and
- iii. 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.

4. Statement of assets and liabilities (Standalone)

		₹ in Lakhs	
	Particulars	As at September 30, 2014 (Unaudited)	As at March 31, 2014 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share Capital	80,729.68	80,729.68
	(b) Reserves and Surpluses	(18,488.28)	2,050.46
	Sub-Total – Shareholders Fund	62,241.40	82,780.14
2	Non-Current Liabilities		
	(a) Long-Term Borrowings	298,047.15	206,489.29
	(b) Deferred Tax Liabilities (net)	NIL	NIL
	(c) Other Long-Term liabilities	216.50	216.50
	(d) Long-term provisions	165.97	166.01
	Sub-Total – Non-current Liabilities	298,429.62	206,871.80
3	Current liabilities		
	(a) Short-Term Borrowings	24,953.99	24,665.27
	(b) Trade Payables	30,009.95	14,169.25
	(c) Other Current liabilities	222,924.19	339,110.51
	(d) Short-term provisions	141.48	34.72
	Sub-Total – Current Liabilities	278,029.61	377,979.75
	TOTAL – EQUITY AND LIABILITIES	638,700.63	667,631.69
B	ASSETS		
1	Non-Current Assets		
	(a) Fixed Assets	34,666.57	40,427.23
	(b) Non-Current Investment	363,356.34	362,298.34
	(c) Deferred Tax Assets (net)	NIL	NIL
	(d) Long-term loans and advances	130,371.57	147,539.36
	(e) Other non-current assets	NIL	NIL
	Sub-Total-Non-Current Assets	528,394.48	550,264.93
2	Current Assets		
	(a) Current Investment	2,064.03	4,500.96
	(b) Inventories	990.73	869.84
	(c) Trade receivable	44,756.45	46,612.71
	(d) Cash and Bank balances	14,205.19	16,231.59
	(e) Short-term loans and advances	34,659.57	31,363.83
	(f) Other current assets	13,630.18	17,787.83
	Sub-Total Current Assets	110,306.15	117,366.76
	TOTAL – Assets	638,700.63	667,631.69



5. Consequent to the enactment of the Companies Act, 2013 (the Act) applicable from April 01, 2014, the Company has reassessed the remaining useful life of fixed assets under Schedule II to the Act. This has resulted in additional charge of depreciation of ₹ 421.93 Lacs and ₹ 1,932.85 Lacs for the quarter and half year ended September 30, 2014 respectively.
6. The Company holds investment in both quoted / unquoted equity shares. The market value of the quoted investments and book value of unquoted investments as ascertained from the latest available financials of the investee companies, is lower than carrying value of these investments. However, having regard to long term nature of these investments and future business plans of the investee companies, the diminution in value of investment does not require provision as such diminution is not other than temporary.
7. The Company's business activities comprise of two segments viz. "Network Services" and "Power Management". During the last few years, the telecom industry has been adversely affected by the general economic slowdown and related consequences has impacted the financial performance of the Company.

In Power sector, increase in energy cost by Genco's without commensurate revision in energy price to consumers has adversely affected profitability of Power Management. Moreover, the Company's inability to incur sufficient capex has resulted in higher T&D losses and adversely affected its operational efficiency resulting into further lowering operating margins and cash flow of the said segment.

These factors are well beyond management control and have had an impact on cash flows which has resulted into outstanding dues towards interest / principal to all sets of lenders.

For the reasons stated above, Company has incurred cash losses resulting in substantial erosion of the Company's net worth.

The Company has initiated various cost optimization steps viz. revision in pricing, need based capex to reduce T&D losses and also entered into a contract with an agency for improving the reliability of the fuel supply as well as increasing efficiency of fuel consumption at telecom sites.

Moreover, likely positive developments in Telecom & Power segment are expected to have favorable impact on Company's business activities.

In view of the above, the Company continues to prepare its financial statements on going concern basis, which contemplates realization of assets and settlement of liabilities in the normal course of business.

8. Formalities for documentation in respect of Non-convertible Debentures (NCDs) liability is in process, Debenture Redemption Reserve will be considered after issuance of Debentures.

9. Formula used for computation of "Debt Service Coverage Ratio" (DSCR) = [Profit before Interest, Depreciation and Tax / (Principal repayment during the period + Interest)] and for Interest Service Coverage Ratio (ISCR) = [Profit before Interest, Depreciation and Tax / Interest]

10. Restructuring of the ECB Facility is yet to close on account of certain factors beyond management control such as inter-creditor issues among various lenders of the Company on matters relating to *pari-passu* sharing of security, payment of interest to ECB lenders and Cash flow of the Company etc.

While the Company and NCD Lender have bilaterally agreed the terms for restructuring, consequent execution of the amended agreements and security documents to ensure *pari-passu* rights to NCD lenders to the Cash Flows and Security package is still awaiting approval of CDR Lenders.

Requests of the Company for release of certain interest / principal dues of ECB and NCD lenders are still under consideration with Trust and Retention Account (TRA) Bank.

As a consequence recovery proceedings have been initiated by ECB/NCD holders that have been contested by the Company.

11. The figures for the previous quarter and six months have been regrouped / rearranged / recast wherever considered necessary.

For GTL Limited

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

Manoj Tirodkar

Chairman & Managing Director

Date: October 30, 2014

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

Review Report To The Board of Directors of GTL LIMITED

1. We have reviewed the accompanying statement of unaudited financial results of **GTL LIMITED** ("the Company") for the quarter and half year ended September 30, 2014 ("the Statement") 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 October 30, 2014. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel responsible for financial and accounting matters 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 attention to the following notes to the accompanying unaudited results :
 - a) Note No.7 regarding the preparation of financial results of the Company on going concern basis notwithstanding the fact that the Company has been incurring cash losses and its networth has been substantially eroded. These financial results have been prepared on a going concern basis for the reasons stated in the said note. The appropriateness of assumption of going concern is dependent upon the Company's ability to raise requisite funds /generate adequate cash flows in future to meet its obligations.
 - b) Note No.6 regarding the book value of investments being lower than their carrying value and non provision for diminution in value of these investments for the reasons mentioned therein.
4. In respect of term loan liability of ₹ 2,063.36 lacs payable to Standard Chartered Bank and External Commercial Borrowings of ₹68,540.40 lacs, the confirmations 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 applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement 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.

M.V. Bhave
Partner
Membership No. - 038812



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

S.S.

S. S. Yeolekar
Partner
Membership No. -036398



Place: Mumbai
Date: October 30, 2014