

OTL LIMITED  
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2011

\* In US\$ (except share data and ratios)

2011	2010	Period ended June 30, 2011 (15 months)	S.F.A.	Particulars	Share Data - Parent Company		
					Quarter ended September 30, 2011	Quarter ended September 30, 2010	
Unaudited	Unaudited	Audited			2011	2010	
84,413.85	83,508.02	394,413.18	1	Net Income from sales/services	54,812.88	64,328.83	209,379.59
439.21	6,137.12	(14,337.23)	2	Cost of sales American a) (Increase) / Decrease in Stock in trade and work in progress b) Consumption of raw materials and services c) Purchase of traded goods d) Other expenses (Cost of Sales)	453.68 47,761.75 369.14 4,922.41	(388.47) 26,049.01 21,315.65 4,922.39	(13,671.71) 172,279.94 64,388.89 22,675.30
860.14	21,251.65	64,388.89	3	Gross Profit (1-2)	7,896.28	12,964.54	63,391.46
9,591.23	18,989.84	89,259.98	4	General Administrative Expenses	2,075.41	1,833.20	12,267.65
10,773.02	3,791.37	20,227.23	5	Selling & Distribution Expenses	400.59	311.65	1,592.95
2,893.1	4,321.01	8,262.41	6	Depreciation	2,674.75	1,822.77	8,735.61
1,093.28	1,594.00	10,491.65	7	Operating Profit before Statement (3) - (4)-(5)-(6)	2,670.13	4,798.89	48,799.42
3,773.40	11,411.26	91,088.18	8	Interest (net) & Finance cost (net)	31,628.30	1,344.82	20,515.32
13,303.72	2,007.11	22,721.13	9	Income tax	NIL	NIL	NIL
NIL	NIL	NIL	10	Operating Profit (Less) after Interest and Exceptional Items (7-8-9)	(10,155.17)	3,454.07	28,284.10
(9,198.32)	9,494.35	29,134.85	11	Other Income (includes foreign exchange gain) / (loss) - (net)	(1,687.70)	(831.67)	1,147.55
(1,490.24)	(109.71)	281.94	12	Profit (+) / Loss (-) from ordinary activities before tax (10-11)	(13,842.87)	2,622.40	21,431.65
(11,470.59)	9,224.44	29,586.59	13	Tax expense a) Current (for Cost of H&M Cost) b) Deferred tax	(291.00) (14.51)	2,001.07 783.55	4,376.56 2,382.71
(12,761)	1,981.78	5,189.84	14	Net Profit (+) / Loss (-) from ordinary activities after tax (12-13)	(14,033.87)	4,700.88	14,218.24
(27,50)	788.55	2,181.70	15	Extraordinary items (net of tax expense)	NIL	NIL	NIL
(11,228.12)	4,475.11	21,218.48	16	Net Profit (Loss) for the period (14-15)	(14,033.87)	4,700.88	14,218.24
NIL	NIL	NIL	17	Share of Profit / Loss in Associates	N.A.	N.A.	N.A.
(11,228.12)	4,475.11	21,218.48	18	Minority Interest (Provisional)	N.A.	N.A.	N.A.
(11,317.43)	3,859.69	19,432.93	19	Net Profit after Tax attributable to Consolidated Group	N.A.	N.A.	N.A.
9,728.78	9,728.78	9,728.78	20	Make-up Equity Share Capital (Face value of \$ 10/- each)	6,728.78	9,728.45	9,728.78
9,728.78	9,728.78	9,728.78	21	Reserves Excluding Retention Reserves (as per Balance Sheet) of Previous Accounting Year	N.A.	N.A.	N.A.
(11,228.12)	4,475.11	21,218.48	22	Example Per Share (EPS) (19) (20) (Provisional)	N.A.	N.A.	N.A.
(11,317.43)	3,859.69	19,432.93	23	a) Basic b) Diluted c) - After extraordinary items d) Other	11.80 11.80 11.80 11.80	4.85 4.85 4.85 4.85	14.65 14.65 14.65 14.65
9,728.78	9,728.78	9,728.78	24	Public Shareholding - Number of Shares - Percentage of Shareholder	74,492,811 78,527.96	46,625,286 47,177.96	45,991,801 47,177.96
21,440,000	46,625,286	46,991,801	25	Promoters and Promoter group Shareholding a) Promoter / Shareholder - Number of Shares - Percentage of Shareholder (as a % of the total Shareholding of Promoter and Promoter group) b) Promoter - Percentage of Shareholder (as a % of the total Share Capital of the Company)	22,000,000 96,387 22,627.6	0 0.00% 0.00%	22,000,000 41,905.6 22,627.6
827,232	51,099,199	29,277,232		Non-Shareholder - Number of Shares - Percentage of Shareholder (as a % of the total Shareholding of Promoter and Promoter group) - Percentage of Shareholder (as a % of the total Share Capital of the Company)	327,232 3,627.6 0.87%	51,099,199 100.00% 52.13%	29,277,232 57,110.6 34,110.6

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Registered Office: "Global View", Electronic Sector, Pl. K. L. D. C. T. C. Industrial Area, Madhav, T-8 & D-2, Thane, New Mumbai - 400 710.

  
Manoj Tripathi  
Chairman and Managing Director

**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**

₹.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

	Quarter ended September 30, 2011 (Un-audited)
<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 )

₹ 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.gtilimited.com](http://www.gtilimited.com) from the close of business hours on November 14, 2011.

**For GTL Limited**

**Date:** November 14, 2011

**Place:** Mumbai



**Manoj Hiradkar**

Chairman and Managing Director