

GTL INFRASTRUCTURE LIMITED

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED DECEMBER 31, 2016

Rs. in Lacs, except EPS

| Sr. No. | Particulars | Quarter ended December 31, | Quarter ended September 30, | Quarter ended December 31, | Nine Months Period ended December 31, | Nine Months Period ended December 31, |
|---------|---|----------------------------|-----------------------------|----------------------------|---------------------------------------|---------------------------------------|
| | | 2016 | 2016 | 2015 | 2016 | 2015 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited |
| 1 | a) Income from Operations | 26,297 | 26,447 | 25,087 | 79,196 | 77,622 |
| | b) Other Operating Income | - | - | - | - | - |
| | Total | 26,297 | 26,447 | 25,087 | 79,196 | 77,622 |
| 2 | Expenditure | | | | | |
| | a) Infrastructure Operation & Maintenance Cost | 11,594 | 11,063 | 11,774 | 34,765 | 34,796 |
| | b) Employee benefits expense | 548 | 293 | 859 | 1,601 | 2,175 |
| | c) Service tax on Income from operations | 3,187 | 3,206 | 3,162 | 9,605 | 9,404 |
| | d) Depreciation and amortisation expense | 5,883 | 5,929 | 6,257 | 18,043 | 18,807 |
| | e) Bad Debts and Provision for Trade Receivables & Energy Recoverables | 202 | - | (504) | 2,145 | 7,579 |
| | f) Other Expenses | 1,162 | 815 | 835 | 3,512 | 2,315 |
| | Total | 22,576 | 21,306 | 22,383 | 69,671 | 75,076 |
| 3 | Profit/(Loss) from Operations before Other Income, Finance costs & Exceptional Items (3)=(1-2) | 3,721 | 5,141 | 2,704 | 9,525 | 2,546 |
| 4 | Other Income | 202 | 204 | 348 | 696 | 1,192 |
| 5 | Profit/(Loss) from Ordinary expenses before Finance costs & Exceptional Items (5)=(3+4) | 3,923 | 5,345 | 3,052 | 10,221 | 3,738 |
| 6 | a) Finance Costs | 11,663 | 11,757 | 11,840 | 34,207 | 35,076 |
| | b) Foreign Exchange Loss / (Gain) | 3,686 | (369) | 1,317 | 6,986 | 7,701 |
| 7 | Profit/(Loss) from Ordinary activities after Finance Costs but before Exceptional Items (7)=(5-6) | (11,426) | (6,043) | (10,105) | (30,972) | (39,039) |
| 8 | Exceptional Items | - | - | - | - | 10,655 |
| 9 | Profit/(Loss) from Ordinary Activities before tax (9)=(7+8) | (11,426) | (6,043) | (10,105) | (30,972) | (49,694) |
| 10 | Tax Expenses | - | - | - | - | - |
| 11 | Net Profit/(Loss) from Ordinary Activities after tax 11=(9-10) | (11,426) | (6,043) | (10,105) | (30,972) | (49,694) |
| 12 | Other Comprehensive Income | 32 | (8) | (2) | (4) | (52) |
| 13 | Total Comprehensive Income (after tax) 13=(11+12) | (11,394) | (6,051) | (10,107) | (30,976) | (49,746) |
| 14 | Paid -up equity share capital (Face value of Rs. 10 each) | 2,46,008 | 2,38,386 | 2,32,541 | 2,46,008 | 2,32,541 |
| 15 | Earnings Per Share (EPS) (Face value of Rs. 10 each)* | | | | | |
| | a. Basic EPS (in Rs.) | (0.47) | (0.26) | (0.39) | (1.30) | (1.96) |
| | b. Diluted EPS (in Rs.) | (0.47) | (0.26) | (0.39) | (1.30) | (1.96) |
| | * Not annualised | | | | | |

Notes:

1. The above results have been reviewed by the Audit committee and taken on record by the Board of Directors at their meeting held on January 24, 2017.
2. The Statutory auditors of the Company have carried out a Limited Review of the above results.
3. The Company Adopted the Indian Accounting Standard (" Ind AS") and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - " Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013. These financial results have been prepared in accordance with the Companies (Indian Accounting Standard) Rules 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013. The date of transition to Ind AS is 1st April, 2015. The Figures for the Quarter ended and Nine months period ended 31st December 2015 are also Ind AS Compliant. They have not been subjected to limited Review or audit. However, the management has exercised the necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs. The Company will provide a reconciliation of its equity for the previous year ended 31st March, 2016 at the time of submitting the audited financial statements for the year ended 31st March, 2017. These results have been prepared in accordance with regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) regulation, 2015 read with SEBI circular dated 5th July, 2016.
4. Reconciliation between financial results as previously reported under previous GAAP and Ind AS for the quarter and nine months period ended 31st December 2015.

Rs in Lacs

| Sr. No. | Particulars | Quarter ended December 31,2015 | Nine months period ended December 31, 2015 |
|---------|---|--------------------------------|--|
| I | Net (Loss) under IGAAP | (9,007) | (45,459) |
| II | Net Impact due to recognition of Asset Retirement Obligation | (93) | (276) |
| III | Fair Valuation of Financial Instruments | (1,007) | (4,011) |
| IV | Actuarial Gains/(Loss) on Defined benefit plan considered as Other Comprehensive Income | 2 | 52 |
| V | Net (Loss) before Other Comprehensive Income as per Ind AS | (10,105) | (49,694) |

5. Allotment of Equity Shares on exercise of option by FCCB holders:

| Particulars | No. of FCCBs (Series A) | No. of Equity Shares to be issued on conversion | No. of FCCBs (Series B) | No. of Equity Shares to be issued on conversion |
|---|-------------------------|---|-------------------------|---|
| Outstanding as on 01 October, 2016 | 38,218 | | 1,93,533 | |
| Less:- Equity Shares allotted on exercise of option during the quarter | 14,050 | 7,62,24,057 | | |
| Outstanding as on 31 December, 2016 | 24,168 | 13,11,16,233 | 1,93,533 | 1,04,99,55,231 |
| Less:- Equity Shares allotted on exercise of option from January 01, 2017 till date | - | - | - | - |
| Outstanding as on date | 24,168 | 13,11,16,233 | 1,93,533 | 1,04,99,55,231 |

6. The Company has equity investments of Rs. 1,89,682 Lacs in Chennai Network Infrastructure Ltd. (CNIL), an Associate, held through Tower Trust as on 31st December, 2016 and it is accounted at cost as per Ind AS 27 – “Separate Financial Statements”. Although CNIL has incurred cash losses and its net worth has been substantially eroded, as per the management, the Company’s equity interest in the Associate based on its business plans as on 31st December, 2016 support the carrying value of such investment. The Company considers its above investment as strategic and long term in nature and as per Management the recoverable amount of investment in this associate is higher than its carrying value.
7. The Company has entered into a Master Services Agreement (MSA) with respective Telecom Operators for a tenure upto 15 years. Invoices are raised on these operators for Infrastructure Provisioning Fees and energy charges as part of the said MSA. The amounts outstanding from certain operators are subject to confirmations/under reconciliation. The management is of the view that all the outstanding trade receivables are good for recovery except for which provision has already been made based on expected credit loss model.
8. Due to various adverse developments in telecom sectors since implementation of CDR package, which were beyond management control, and owing to working capital challenges, there are delays in servicing debt obligations to secured lenders of the Company as at 31st December 2016. The Board of Directors of the

Company at its meeting held on September 19, 2016, recommended the invocation and implementation of the SDR Scheme for the Company. The CDR lenders of the company, at a meeting of the Joint Lender Forum ("JLF") held on September 20, 2016, have also unanimously agreed to invoke the Strategic Debt Restructuring Scheme ("SDR Scheme") for the Company having 20th September 2016 as the 'review and reference date'. Accordingly "Stand Still" clause is applicable for asset classification. Steps are being taken for the implementation of the SDR Scheme within the stipulated time.

9. The Hon'ble Supreme Court vide its order dated December 16, 2016 upheld that "Mobile Telecommunication Tower" is a building and the State can levy property tax as envisaged in entry 49 of the list II of the seventh schedule of the Constitution of India, while deciding the Special Leave Petition (SLP) filed by various Municipal Corporations and the State of Gujarat against the order of the Divisional Bench of Gujarat High Court. Another SLP filed by one of the customers of the Company against the Corporation (in which an associate company of the Company is also a party) for the similar matter is still pending before the Hon'ble Supreme Court and is expected to be heard shortly. The Company also intends to file a separate Review Petition in the Hon'ble Supreme Court challenging the above referred Judgment.

In respect of few sites where demand notices for property tax have been received, the Company has contested the demands in certain cases by filing writ petitions in appropriate Courts for the manner, procedure and the quantum that has been demanded for. In respect of majority of the sites, the Company has so far not received any such demand. Further as per the agreement with some of the customers (operators) the property tax, if any, paid by the Company is to be recovered from them.

In view of the pending matter before the Hon'ble Supreme Court and other courts, absence of any demand for majority of the towers and also the Company's right to recover the property tax amounts from certain customers, the Company is unable to quantify the amount of property tax, if any, to be borne by it and accordingly no provision for the same can be made at this stage and the same will be accounted for as and when the matter is settled. In respect of the above matter, the auditors have issued modified Limited Review Report for the quarter.

10. The Company continues to pursue the merger process of Chennai Network Infrastructure Limited (CNIL) with itself. The JLF along with the invocation of SDR has also resolved that the merger process currently being pursued by the Company be done simultaneously along with the SDR process.
11. The stagnant telecom industry has been, of late, witnessing several opportunities for growth. This turnaround was largely due to fresh tenancy rollouts due to new 2G /3G /4G /LTE spectrum auctioned in early 2015. Similarly, the recent entry of new incumbent operator and the forthcoming scheduled sale of spectrum by the Government have already started generating significant opportunities for business growth. The Company believes that it would be able to secure significant share in the incremental tenancies. Besides, the continuing measures taken by the Company in terms of cost rationalization and renegotiation of MSAs have benefited the Company with improved cash flows, streamlined revenues and reduction of delays in collection cycle. For these reasons and also considering invocation of SDR Scheme, the Company continues to prepare its financial statements on a going concern basis.

12. The Company is predominantly in the business of providing "Telecom Towers" on shared basis and as such there are no separate reportable segments. The Company's operations are only in India.
13. Depreciation in Indian Rupee during the quarter ended December'2016 has adversely impacted the results for the quarter.
14. The figures in respect of the previous periods have been regrouped/restated/rearranged/reclassified wherever necessary, to make them comparable.

For GTL Infrastructure Limited

Manoj Tirodkar
Chairman

Date: January 24, 2017

Place: Mumbai

Registered Office: Global Vision ES II, 3rd Floor, MIDC, TTC Industrial Area, Mahape, Navi Mumbai- 400 710.
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