



GTL Infrastructure Limited

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STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020

₹ in Lakhs except Share Data

Particulars	For the Quarter ended on September 30, 2020	For the Quarter ended on June 30, 2020	For the Quarter ended on September 30, 2019	For the Half Year ended on September 30, 2020	For the Half Year ended on September 30, 2019	For the Year ended on March 31, 2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
INCOME :						
Revenue from Operations	34,568	34,371	34,171	68,939	70,408	141,694
Other Income	1,625	260	375	1,885	820	2,029
Total Income	36,193	34,631	34,546	70,824	71,228	143,723
EXPENSES :						
Infrastructure Operation & Maintenance Cost	21,390	20,951	22,130	42,341	43,732	86,436
Employee Benefits Expense	1,246	1,705	1,292	2,951	2,567	6,141
Finance Costs	16,122	16,450	16,608	32,572	31,756	66,222
Depreciation and Amortization Expenses	13,930	14,223	16,112	28,153	32,747	63,444
Bad Debts and Provision for Trade Receivables and Advances	(323)	832	215	509	1,317	5,236
Exchange Differences (Net)	(927)	20	387	(907)	(14)	3,306
Other Expenses	1,950	1,291	7,467	3,241	9,487	14,346
Total Expenses	53,388	55,472	64,211	108,860	121,592	245,131
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX	(17,195)	(20,841)	(29,665)	(38,036)	(50,364)	(101,408)
Exceptional Items (Refer Note No. 8)	-	-	-	-	-	84,946
PROFIT/(LOSS) BEFORE TAX	(17,195)	(20,841)	(29,665)	(38,036)	(50,364)	(186,354)
Tax Expenses	-	-	-	-	-	-
PROFIT/(LOSS) FOR THE PERIOD/YEAR	(17,195)	(20,841)	(29,665)	(38,036)	(50,364)	(186,354)
Other Comprehensive Income						
(A) Items that will not be reclassified to Profit or Loss						
Remeasurement of the defined benefit plans (0 indicates Rs. 26,179)	0	52	10	52	49	26
(B) Items that will be reclassified to Profit or Loss	-	-	-	-	-	-
Total Other Comprehensive Income	(0)	(52)	(10)	(52)	(49)	(26)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR	(17,195)	(20,893)	(29,675)	(38,088)	(50,413)	(186,380)
Paid-up equity share capital (Face value of Rs. 10 each)	1,240,696	1,231,910	1,231,910	1,240,696	1,231,910	1,231,910
Other Equity excluding Revaluation Reserves	-	-	-	-	-	(1,251,240)
Earnings Per Equity Share of Rs.10 each						
Basic	(0.13)	(0.16)	(0.23)	(0.30)	(0.40)	(1.46)
Diluted	(0.13)	(0.16)	(0.23)	(0.30)	(0.40)	(1.46)

Notes:

- The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on November 5, 2020.
- The details of allotment of Equity Shares on exercise of option by FCCB Holders are as under:

Particulars	No. of bonds			No. of Shares issued/ to be issued on conversion		
	B1	B2	B3	B1	B2	B3
As at July 1, 2020	51,348	86,417	12,811	33,44,73,683	56,29,08,239	8,34,49,060
Bonds converted during the Quarter	-	13,489	-	-	8,78,65,456	-
As at September 30, 2020	51,348	72,928	12,811	33,44,73,683	47,50,42,783	8,34,49,060
Bonds converted from July 1, 2020 till date	-	-	-	-	-	-
As at November 5, 2020	51,348	72,928	12,811	33,44,73,683	47,50,42,783	8,34,49,060
- The Hon'ble Supreme Court of India held that telecom tower is exigible to Property Tax and States can levy property tax on the same. The matter being still sub judice with respect of the component of Property Tax, non-receipt of demand notices for majority of the towers of the Company and the Company's right to recover property tax from certain customers, the Company is unable to quantify actual property tax amount payable. The provision will be considered as and when the matter is resolved. In respect of the above, the auditor/s have issued modified reports for the quarter & half year ended September 30, 2020 and also the reports on the financial statements of earlier years.
- During the half year ended September 30, 2020, Edelweiss Asset Reconstruction Company ("EARC") has, without the consent of the Company, debited a total amount of ₹ 35,600 lakhs from the TRA account on various dates. The Company has protested such a withdrawal. In the absence of details, the Company has provided the interest on borrowings after adjusting this amount in principal.
- As of September 30, 2020, 79.34% of Indian Rupee Debt of ₹ 322,625 Lakhs have been assigned in favour of Edelweiss Asset Reconstruction Company ("EARC") acting in its capacity as Trustee of EARC Trust-SC 338 vide assignment agreement executed in favour of EARC;
The Company is contesting and pursuing legal proceedings to enforce Reserve Bank of India's Master Circular on "Prudential Norms on Income Recognition, Assets Classification and Provisioning Pertaining to Advances" dated July 1, 2015 ("IRAC") clause 6.4 (d) (ii) against remaining lenders. Pursuant to the same, the Company has not obtained balance confirmations from these lenders.
- One of the remaining secured lenders, referred in note no. 5 above, allegedly claiming ₹ 64,638 Lakhs has filed proceedings before the National Company Law Tribunal (the "NCLT") under Insolvency and Bankruptcy Code 2016 which has not been admitted so far. The Hon'ble Supreme Court vide its order dated March 6, 2020 was pleased to issue notice and directed the Respondents to maintain status quo in the matter.
- The Company lost substantial number of tenancies in last few years, due to various events which were beyond management control, such as shutdown / exit of major telecom operators namely Aircel Group, Reliance Communications and Tata Tele, Business combination of Vodafone & Idea, Telenor & Airtel, recent AGR developments etc. These developments have resulted in erosion of Company's net worth, provision for impairment of property, plant and equipment. Further the Company has received notices of recall of loans from EARC and IDBI Bank claiming alleged default in terms of Master Restructuring Agreement dated December 31, 2011. The Company is currently seeking legal advice and will take such necessary actions as it may be advised. Simultaneously, the Company is also discussing with EARC the proposed realignment of debt.
The Company is optimistic that the proposed realignment of debt with EARC in accordance with cash flows will be concluded in near future. In addition to the above, various resource optimization initiatives undertaken by the Company, can lead to stabilization and revival in the opinion of management. Therefore, the Company continues to prepare the books of account on Going Concern basis. Further, the Company also continues to pursue contractual claims of approx. ₹ 15,21,755 lakhs from various operators in respect of premature exits by them in the lock in period.
- Exceptional items for the year ended March 31, 2020 represents provision towards various claims and the provision for impairment in respect of Property, Plant & Equipment. The Company will assess the impairment if any, at the year end.
- The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. On March 24, 2020, the Government of India ordered a nationwide lockdown for 21 days and it was further extended up to November 30, 2020 along with unlock guidelines, to prevent community spread of COVID-19 resulting in significant reduction in economic activities. The Ministry of home affairs notified telecommunication services including telecom infrastructure services among the essential services which continued to operate during lock down in the crisis situation of COVID-19. This crisis impacted ability of technicians to visit the tower sites for upkeep and maintenance of tower and Diesel filling. Against this background, and keeping in mind the health and safety of employees/customers/vendors, the Company has for the moment taking maximum precaution to protect its network and maintain uptime. Thus, though the Company is trying its best to keep the customer focus / network uptime humming, the exact impact of the same cannot be determined at this juncture.
- 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 currently in India.

Sr. No.	Particulars	(₹ in Lakhs)	
		As At September 30, 2020 (Unaudited)	As At March 31, 2020 (Audited)
1	ASSETS		
	Non-Current Assets		
	(a) Property, Plant and Equipment	564,379	584,906
	(b) Right-of-use assets	56,601	58,408
	(c) Capital work-in-progress	3,370	3,138
	(d) Investment Property	3,203	3,238
	(e) Other Intangible Assets	6	18
	(f) Financial Assets		
	(i) Investments	-	-
	(ii) Other Bank Balances	2	2
	(iii) Loans	8,516	8,679
	(g) Other Non-current Taxes	345	120
	(h) Other Non-current Assets	1,633	2,032
	Total - Non-Current Assets	638,055	660,541
2	Current Assets		
	(a) Inventories	309	260
	(b) Financial Assets		
	(i) Investments	6,193	6,010
	(ii) Trade Receivables	14,672	7,941
	(iii) Cash and Cash Equivalents	18,804	21,861
	(iv) Bank Balances other than (iii) above	1,933	29,370
	(v) Loans	1,779	1,568
	(vi) Others	6,564	7,513
	(c) Current Tax Assets (Net)	423	992
	(d) Other Current Assets	9,946	6,961
	Total - Current Assets	60,623	82,476
	TOTAL ASSETS	698,678	743,017

(₹ in Lakhs)

Sr. No.	Particulars	As At September 30, 2020 (Unaudited)	As At March 31, 2020 (Audited)
	EQUITY AND LIABILITIES		
1	EQUITY		
	(a) Equity Share Capital	1,240,696	1,231,910
	(b) Other Equity	(1,289,328)	(1,251,240)
	Total - Equity	(48,632)	(19,330)
2	LIABILITIES		
	(I) Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	-	-
	(ii) Lease Liabilities	51,225	51,392
	(iii) Other Financial Liabilities	5,920	6,294
	(b) Provisions	5,253	6,025
	(c) Other non-current Liabilities	1,719	1,957
	Total - Non-Current Liabilities	64,117	65,668
	(II) Current Liabilities		
	(a) Financial Liabilities		
	(i) Trade Payables		
	- total outstanding dues of micro enterprises and small enterprises	110	35
	- total outstanding dues of creditors other than micro enterprises and small enterprises	2,181	1,603
	(ii) Lease Liabilities	20,260	16,736
	(iii) Others Financial Liabilities	647,139	664,303
	(b) Other Current Liabilities	6,472	7,934
	(c) Provisions	7,031	6,068
	Total - Current Liabilities	683,193	696,679
	TOTAL EQUITY AND LIABILITIES	698,678	743,017

13. Cash flows Statement.

PARTICULARS	(₹ in Lakhs)	
	For the Half Year Ended September 30, 2020 (Unaudited)	For the Year Ended March 31, 2020 (Audited)
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax as per Statement of Profit and Loss	(38,036)	(186,354)
ADJUSTED FOR		
Depreciation and amortization expenses	28,153	63,444
Loss on sale of Property, Plant, Equipment (PPE)	745	1,013
Interest Income	(169)	(1,019)
Finance Costs	32,572	66,222
Extinguishment of liabilities	(1,406)	-
Foreign Exchange (Gain)/Loss (Net)	(907)	3,306
Difference on measurement of financial instruments at fair value through Profit & Loss	(183)	(99)
Profit on sale of Investments	-	(509)
Exceptional Items	-	84,946
Balances Written off (Net of Provision written back)	(2,324)	240
Provision for Trade Receivables and Energy Recoverables	2,833	4,996
Miscellaneous Income on Asset Retirement Obligation (ARO) & Lease	(2)	(248)
Prepaid Rent amortization	28	573
Advance revenue on deposits	(382)	(831)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	20,923	35,680
ADJUSTMENTS FOR		
Trade and Other Receivables	(9,275)	4,747
Inventories	(49)	51
Trade and Other Payables	(864)	513
CASH GENERATED FROM OPERATIONS	10,735	40,991
Taxes paid/refund received (Net)	345	2,623
NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES	11,080	43,614
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE and Capital Work-in-Progress (CWIP)	(2,540)	(5,432)
Proceeds from disposal of PPE & CWIP	354	2,427
Purchase of Investments	-	(128,210)
Sale of Current Investments	-	123,871
Interest Received	146	945
NET CASH FLOW GENERATED FROM/(USED IN) INVESTING ACTIVITIES	(2,040)	(6,399)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long-Term-Borrowings*	(35,600)	-
Interest and Finance charges Paid	(16)	(24)
Payment towards principal portion of lease liability	(2,386)	(5,603)
Payment towards interest portion of lease liability	(1,533)	(3,776)
Other Bank Balances towards statutory demands under dispute and other commitments etc.	27,442	(12,585)
Fixed Deposits with Banks pledged as Margin Money, Debt Service Reserve Account and others	(5)	(8)
NET CASH USED IN FINANCING ACTIVITIES	(12,097)	(21,996)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(3,057)	15,219
Cash and Cash Equivalents (Opening Balance)	21,861	6,642
Cash and Cash Equivalents (Closing Balance)	18,804	21,861

*Please refer note no. 4 above

14. The figures for the corresponding previous period/year have been regrouped/rearranged wherever necessary, to make them comparable.

For GTL Infrastructure Limited

Date : November 5, 2020
Place : Mumbai

Manoj Tirodkar
Chairman

Note: The Financial results for Quarter and Half year ended September 30, 2020 along with Independent Auditors Review Report is available on the websites of the stock exchange(s) at www.nseindia.com & www.bseindia.com and the Company at www.gtlinfra.com

Modified opinion of the Auditor -
Attention is drawn to Note No. 3 to the statement which inter-alia states that the Hon'ble Supreme Court of India held that "Mobile Telecommunication Tower" is a building and State can levy property tax on the same. Pending petitions of the Company before the appropriate Courts, non-receipt of demand notices for property tax in respect of majority of the Telecommunication Towers and also due to Company's right to recover such property tax amount from certain customers, the company is unable to quantify the amount of property tax to be borne by it and accordingly has not made any provision for the same. We are unable to quantify the amount of the property tax, if any, to be accounted for and its consequential effects on the statement.