



GTL Infrastructure Limited

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STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

₹ in Lakhs except Share Data

Particulars	For the Quarter ended on June 30, 2021	For the Quarter ended on March 31, 2021	For the Quarter ended on June 30, 2020	For the Year ended on March 31, 2021
	Unaudited	Unaudited	Unaudited	Audited
INCOME :				
Revenue from Operations	36,162	37,141	34,371	1,40,968
Other Income	304	1,748	260	3,916
Total Income	36,466	38,889	34,631	1,44,884
EXPENSES :				
Infrastructure Operation & Maintenance Cost	22,092	23,297	20,951	87,103
Employee Benefits Expense	1,467	1,808	1,705	6,142
Finance Costs	17,932	16,934	16,450	66,312
Depreciation and Amortization Expenses	12,609	12,998	14,223	54,718
Bad Debts and Provision for Trade Receivables and Advances	864	(723)	832	433
Exchange Differences (Net)	476	(484)	20	(1,554)
Other Expenses	2,738	16,450	1,291	21,919
Total Expenses	58,178	70,280	55,472	2,35,073
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX	(21,712)	(31,391)	(20,841)	(90,189)
Exceptional Items (Refer Note No. 8)	-	36,888	-	36,888
PROFIT/(LOSS) BEFORE TAX	(21,712)	(68,279)	(20,841)	(1,27,077)
Tax Expenses	-	-	-	-
PROFIT/(LOSS) FOR THE PERIOD/YEAR	(21,712)	(68,279)	(20,841)	(1,27,077)
Other Comprehensive Income				
(A) Items that will not be reclassified to Profit or Loss				
Remeasurement of the defined benefit plans	(11)	(14)	52	52
(B) Items that will be reclassified to Profit or Loss	-	-	-	-
Total Other Comprehensive Income	11	14	(52)	(52)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR	(21,701)	(68,265)	(20,893)	(1,27,129)
Paid-up equity share capital (Face value of ₹ 10 each)	12,49,743	12,49,659	12,31,910	12,49,659
Other Equity excluding Revaluation Reserves				(13,78,369)
Earnings Per Equity Share of ₹ 10 each				
Basic	(0.17)	(0.53)	(0.16)	(0.99)
Diluted	(0.17)	(0.53)	(0.16)	(0.99)

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 August 10, 2021.
- The details of allotment of Equity Shares on exercise of option by FCCB Holders are as under:

Particulars	No. of Bonds			No. of Shares to be issued on conversion		
	B1	B2	B3	B1	B2	B3
As at April 1, 2021	51,348	59,168	12,811	33,44,73,683	38,54,12,067	8,34,49,059
Bonds converted during the Quarter	-	129	-	-	8,40,287	-
As at June 30, 2021	51,348	59,039	12,811	33,44,73,683	38,45,71,780	8,34,49,059
Bonds converted from July 1, 2021 till date	17,429	-	175	11,35,30,065	-	11,39,925
As at August 10, 2021	33,919	59,039	12,636	22,09,43,617	38,45,71,780	8,23,09,134

3. 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 on the results for the quarter ended June 30, 2021 and also on the financial statements of earlier years.

4. During the Year ended March 31, 2021, 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. In the absence of company's consent for such debit, the Company has provided the interest on borrowings after adjusting this amount in principal.

The Company has raised objections to such withdrawals of ₹ 35,600 lakhs from the TRA account in light of Status quo issued by Hon'ble Supreme Court of India by their order dated March 6, 2020 and pending compliance of Interim Award dated December 17, 2019 passed by Arbitral Tribunal in the arbitration of GTL Limited and Company on GTL's claims., Hon'ble Delhi High Court in an appeal, filed against the said Interim Award by EARC, held by its Judgment dated November 18, 2020, while partially modifying the said Interim Award, that monies subject to the said Interim Award are required to be held and earmarked in TRA Account maintained and controlled by Company's lenders and the said deposit shall remain subject to further orders to be passed by the learned Arbitral Tribunal. After the said Judgment dated November 18 2020, a Clarification Application was filed by EARC and the same was dismissed being misconceived. EARC has now filed a Review Petition and the same is pending before Delhi High Court for adjudication.

5. (a) As of June 30, 2021, 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 before the Hon'ble Supreme Court. Pursuant to the same, the Company has not obtained balance confirmations from these lenders.

(b) One of the remaining secured lenders, referred in note no. 5 (a) 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.

(c) The Hon'ble Supreme Court vide its order dated March 6, 2020 issued a notice and directed the lenders to maintain status quo in the abovementioned matters against which an application for early hearing and vacation of Status quo order has been filed by one of the lenders.

6. 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 reduction in the revenue and earnings resulting in erosion of Company's net worth and 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 has strongly refuted the claims. Simultaneously, the Company is also discussing with Lenders the proposed realignment of debt.

The Company is optimistic that the proposed realignment of debt with Lenders in accordance with cash flows will be concluded in near future. In addition to the above, various resource optimization initiatives under taken by the Company, can lead to stabilization and revival. 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. ₹ 15,24,839 lakhs from various operators in respect of premature exits by them in the lock in period.

7. Shut down/exit of 12-14 telecom operators resulted into abandonment of more than 14,000 towers of the Company by them, making such towers unoccupied and loss of revenue towards the Infrastructure Provisioning Fees / Rental on such towers. In view of above, the rentals to landlords for those sites remained unpaid. During the quarter ended June 30, 2021, disgruntled landowners / miscreants dismantled 61 Sites (Previous quarter 1,014 Sites and Previous year 1,171 Sites) out of the above unoccupied sites. This has resulted into a loss of ₹ 1,374 Lakhs for the quarter ended June 30, 2021 (₹ 14,428 Lakhs for the previous quarter and ₹ 16,314 Lakhs for the previous year) which is included in other expenses in the above results. The Company has initiated process of intimation to police, legal actions against the landlords and lodging of the insurance claims.

8. Exceptional items for the year ended March 31, 2021 represents the provision for impairment in respect of Property, Plant & Equipment. The Company will assess the impairment if any, at the year end.

9. Mr. Milind Naik, Whole Time Director of the Company retired during the previous year and was reappointed on January 20, 2021. Approval of shareholders is awaited towards his managerial remuneration ₹ 24.86 Lakhs for the quarter ended June 30, 2021 (₹ 69.78 Lakhs for the quarter ended March 31, 2021).

10. The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. It has resulted in operational challenges in carrying out field work due to regional / local restrictions in areas with significant number of COVID-19 cases. The passive infrastructure as well as active telecom operations are actively engaged in fulfilling the surge in demand arising out of the choice exercised by almost all industries to conduct their operations remotely. The Company is trying its best to keep the customer focus / network uptime humming. The Company continues to closely monitor the development and possible effects that may result from the current pandemic, on its financial condition, liquidity & operations and it is actively working to minimize the impact of this unprecedented situation.

11. 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.

12. The figures for the corresponding previous period /year have been regrouped/rearranged wherever necessary, to make them comparable. The figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the year to date figures up to the third quarter of that financial year.

For GTL Infrastructure Limited

Date : August 10, 2021
Place : Mumbai

Milind Naik
Whole Time Director

Note: The Financial results for Quarter ended June 30, 2021 along with Limited Review Report by Statutory Auditors 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.



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