GTL
INFRASTRUCTURE

GIL/SE/Accts/2017-18/Q3/149

February 14, 2018

The Secretary,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001
Fax No.: 2272 2037/2272 3719
Scrip Code: 532775

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
Fax No.: 2659 8237/38
Trading Symbol: GTLINFRA

Dear Sir/Madam,

Sub: Limited Review Report of the Statutory Auditors of the Company on the Unaudited Financial Results for the quarter ended December 31, 2017

Further to our letter no. GIL/SE/Accts/2017-18/Q3/148 dated February 13, 2018 regarding submission of Un-audited Financial Results for the quarter ended December 31, 2017, we enclose herewith Limited Review Report on the Unaudited Financial Results by the Statutory Auditors of the Company, which was not enclosed inadvertently along with the Unaudited Financial Results.

We request you to take the above on your records.

Thanking You,
Yours truly,
For **GTL Infrastructure Limited**

Bhupendra Kiny
Chief Financial Officer

Nitesh A. Mhatre
Company Secretary

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

CHATURVEDI & SHAH
Chartered Accountants
912-913, Tulsiani Chambers,
212, Nariman Point,
Mumbai-400021

YEOLEKAR & ASSOCIATES
Chartered Accountants
11-12, Laxmi Niwas,
Subhash Road, Ville Parle (East)
Mumbai-400057

INDEPENDENT AUDITORS' REVIEW REPORT

To
The Board of Directors,
GTL Infrastructure Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results ("the statement") of **GTL Infrastructure Limited ("the Company")** for the quarter and Nine months period ended 31st December, 2017, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statement based on our review.

2. We conducted our review of the Statement 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 misstatements. A review is limited primarily to inquiries of company personnel 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.

CHARTURVEDI & SHAH ★ MUMBAI ★ CHARTERED ACCOUNTANTS

3. As mentioned in Note no. 5 of the statement, during the quarter the scheme of Arrangement for the merger of Chennai Network Infrastructure Limited with the Company having appointed April 1, 2016 has been approved by the National Company Law Tribunal, at Mumbai and Chennai, and the comparatives for the previous periods/year have been restated to give the effect of the scheme. Our review has been restricted to the figures shown in the column headed "For the Quarter ended on December 31, 2017" and "For the Nine Months Period ended on December 31, 2017". We have traced the figures shown in the column headed "For the Quarter ended on September 30, 2017", "For the Quarter ended on December 31, 2016", "For the Nine Months Period ended on December 31, 2016" and "For the Year ended on March 31, 2017" from the information as certified and provided by the Management of the Company. Further the figures shown in the column headed "For the Quarter ended December 31, 2017" are the balancing figures between the figures shown in the column headed "For the Nine Months Period ended on December 31, 2017" and the figures for the half year ended September 30, 2017 as certified by the Management of the Company.

4. ***Basis for Qualified Conclusion***

As mentioned in Note No.4 to the statement, 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 Special Leave Petition before the Hon'ble Supreme Court in this regard, other petitions of the Company before other 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.

CHATURVEDI & SHAH ★ MUMBAI ★ CHARTERED ACCOUNTANTS

MUMBAI

5. ***Qualified Conclusion***

Based on our review conducted as above, *except for the possible effects of our observation described in the "Basis for Qualified Conclusion" Para 4 above*, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting practices and principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. 101720W

R. Koria
Partner
Membership No. 35629

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

CA S. S. Yeolekar
Partner
Membership No. 036398

Mumbai
Date: 13th February, 2018

GTL INFRASTRUCTURE LIMITED

UNAUDITED STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS PERIOD ENDED DECEMBER 31, 2017

Rs. In Lakhs, except EPS

Particulars	For the Quarter ended on December 31, 2017	For the Quarter ended on September 30, 2017	For the Quarter ended on December 31, 2016	For the Nine Months Period ended on December 31, 2017	For the Nine Months Period ended on December 31, 2016	For the Year ended on March 31, 2017
		Refer Note - 5	Refer Note - 5		Refer Note - 5	Refer Note - 5
INCOME :						
Revenue from Operations	63,913	64,881	57,036	1,91,211	1,66,682	2,28,290
Other Income	4,818	3,002	417	17,282	1,197	2,558
Total Income	**68,731**	**67,883**	**57,453**	**2,08,493**	**1,67,879**	**2,30,848**
EXPENSES :						
Infrastructure Operation & Maintenace Cost	28,889	29,590	26,791	87,610	78,378	1,03,918
Employee Benefits Expense	2,252	1,501	1,315	5,038	4,081	6,026
Finance Costs	12,841	14,930	25,830	43,387	76,724	1,02,396
Depreciation/Impairment and Amortization Expenses	18,473	18,859	18,444	57,174	56,173	74,266
Bad Debts and Provision for Trade Receivables	466	6,654	320	7,131	4,895	6,997
Exchange Differences (Net)	(1,600)	2,915	3,686	1,995	6,986	2,227
Merger Expenses	2,751	12	-	2,874	-	-
Other Expenses	2,692	2,836	2,079	7,914	9,067	12,452
Total Expenses	**66,764**	**77,297**	**78,465**	**2,13,123**	**2,36,304**	**3,08,282**
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX	**1,967**	**(9,414)**	**(21,012)**	**(4,630)**	**(68,425)**	**(77,434)**
Exceptional Item	-	-	-	-	**65,000**	**65,000**
PROFIT/(LOSS) BEFORE TAX	**1,967**	**(9,414)**	**(21,012)**	**(4,630)**	**(1,33,425)**	**(1,42,434)**
Tax Expenses	-	-	-	-	-	-
Extra Ordinary Items	-	-	-	-	-	-
PROFIT/(LOSS) FOR THE PERIOD/YEAR	**1,967**	**(9,414)**	**(21,012)**	**(4,630)**	**(1,33,425)**	**(1,42,434)**
Other Comprehensive Income						
(A) (I) Items that will not be reclassified to Profit or Loss						
(I) Remeasurement of the defined benefit plans *(Rs. (25,146))	(3)	0*	(30)	7	8	44
(Ii) Others	-	-	-	-	-	-
(B) (I) Items that will be reclassified to Profit or Loss						
(I) Others	-	-	-	-	-	-
Total Other Comprehensive Income	**3**	**0**	**30**	**(7)**	**(8)**	**(44)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR	**1,970**	**(9,414)**	**(20,982)**	**(4,637)**	**(1,33,433)**	**(1,42,478)**
Paid -up equity share capital (Face value of Rs. 10 each)	**4,53,645**	**4,20,704**	**2,46,008**	**4,53,645**	**2,46,008**	**2,46,008**
Other Equity excluding Revaluation Reserves as per Balance Sheet						**(2,75,024)**
Share Suspense (Pursuant to scheme of arrangement) (Refer Note - 5)	**7,58,882**	**7,58,882**	**4,77,986**	**7,58,882**	**4,77,986**	**4,77,986**
Earnings Per Equity Share of Rs.10 each						
Basic	**0.02**	**(0.08)**	**(0.29)**	**(0.04)**	**(1.81)**	**(1.93)**
Diluted	**0.02**	**(0.08)**	**(0.29)**	**(0.04)**	**(1.81)**	**(1.93)**

GTL INFRASTRUCTURE LIMITED

CHATURVEDI & SHAH MUMBAI CHARTERED ACCOUNTANTS

TEJERIA & ASSOCIATES MUMBAI Chartered Accountants

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 February 13, 2018.

2. The statutory auditors of the Company have carried out a Limited Review of the above results.

3. During the quarter all 24,168 FCCBs (series A) have been converted in to 13,11,16,233 equity shares of Rs.10 each and 16,250 FCCBs (Series B) have been converted in to 8,81,59,500 equity shares of Rs.10 each. The balance 1,67,193 series B bonds got exchanged with Series B1 (Zero coupon compulsorily convertible), B2 (Interest bearing convertible), B3 (Zero coupon compulsorily convertible) bonds of US $1000 each on October 26, 2017 in the following manner:

Particulars	No. of Series B1 Bonds	No. of Equity Shares to be issued on conversion	No. of Series B2 Bonds	No. of Equity Shares to be issued on conversion	No. of Series B3 Bonds	No. of Equity Shares to be issued on conversion
As on October 26, 2017	80,745	26,29,80,812	86,417	56,29,08,239	30,078	19,59,23,881
Less:-Equity Shares allotted on exercise of option during the quarter ended December 31, 2017	-	-	-	-	16,908	11,01,36,341
Outstanding as on December 31 , 2017	80,745	26,29,80,812	86,417	56,29,08,239	13,170	8,57,87,536
Less:- Equity Shares allotted on exercise of option from January 1,2018 till date	-	-	-	-	-	-
Outstanding as on February 13, 2018	80,745	26,29,80,812	86,417	56,29,08,239	13,170	8,57,87,536

In view of the above, the Company's liability towards Series B2 bonds (excluding compulsorily convertible bonds) stands reduced to Rs. 55,330 lakhs (US $ 86.417 Mn) as on December 31, 2017 as against Rs. 144,064 lakhs as of Sep 30, 2017.

4. During the quarter, there has been no change in the status of the property tax review petition pending before the Supreme Court against its order dated December 16, 2016 relating to Mobile Communication towers. In absence of any demand for majority of the towers, pendency of various petitions challenging the component of tax and Shashti (penalty) and also the Company's right to recover the property tax amounts from certain customers, the Company is unable to quantify the property tax amount, if any to be borne by the Company and accordingly no provision for the same has been made at this stage and the same will be recognized as and when the matter is settled. Further, the Supreme Court vide an interim order dated January 25, 2018 held that Shasti cannot be equated with the property tax amount. In respect of the above, the auditors have issued a modified report.

5. The scheme of Arrangement for the merger of Chennai Network Infrastructure Limited (CNIL) with the Company (the scheme) has been approved by the National Company Law Tribunal ("NCLT") at Mumbai and by National Company Law Tribunal ("NCLT") at Chennai vide their order dated December 15, 2017 and December 13, 2017 respectively. Upon the filing of these orders with the Registrar of Companies, Mumbai and Registrar of Companies, Chennai the scheme became effective from December 22, 2017 having the appointed date April 1, 2016. The scheme has been accounted under the pooling of interest method with effect from appointed date as per the above mentioned NCLT orders and accordingly the comparatives for the earlier periods / year have been restated. In terms of the scheme the Company's investment (through Tower Trust) in CNIL stands cancelled and 7,58,88,19,117 equity shares of Rs. 10 each fully paid up have been allotted to the other shareholders of CNIL as on January 27, 2018. Subsequent to the allotment of these equity shares, the Company's Paid Up Equity

Share Capital stands at Rs. 12,12,527 lakhs. Earnings per share for the quarter and for all earlier periods / year have been computed after considering the shares to be issued to the shareholders of CNIL and disclosed as share suspense in the above results.

6. Other income for the quarter and nine months ended December 31, 2017 of Rs 4,818 lakhs and Rs 17,282 lakhs respectively, includes Rs. 3,470 lakhs and Rs. 5,917 lakhs being the reversal of liabilities towards interest/redemption premium and exchange difference in respect of FCCBs, pursuant to conversion/exchange of Series B bonds with series B1, B2, B3 bonds as detailed in note 3 above.

7. Post invocation of the Strategic Debt Restructuring (SDR) on September 20, 2016, the Company has successfully completed the following steps i) Issuance of equity so that lenders collectively hold at least 51% equity, ii) Restructuring of FCCB's iii) Merger of CNIL with GIL iv) Regular debt servicing during SDR period. The final step of the SDR Scheme i.e. induction of new investor, has not been implemented. The Company Board has constituted an independent committee of experts to review and monitor the investor induction process to safeguard the interest of all stakeholders, including minority shareholders and lenders.

8. 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.

For GTL Infrastructure Limited

GTL INFRASTRUCTURE LIMITED

Manoj Tirodkar
Chairman

Date: February 13, 2018
Place: Mumbai

Registered Office: Global Vision ES II, 3rd Floor, MIDC, TTC Industrial Area, Mahape, Navi Mumbai- 400 710.
CIN-L74210MH2004PLC144367

CHARTURVEDI & SHAH ★ MUMBAI ★ CHARTERED ACCOUNTANTS

MUMBAI

Additional information not forming part of the unaudited statement of standalone financial results for the Quarter and Nine Months Period Ended December 31, 2017

1. On January 2, 2018, the Company has received a notice from Aircel informing about Aircel's surrender of licenses in 6 circles and consequently seeking to terminate services in the said 6 circles, Aircel currently has 23,726 tenancies with the Company. Exit notice was received for 1994 tenancies pertaining to these 6 circles and such increase further. In respect of these circles and others, the Company believes that it has binding long term contractual lock in arrangements with Aircel. The Company has initiated legal proceedings against Aircel in an endeavor to protect its rights/claims under these arrangements and has demanded compensation for whole of the balance period for the tenancies in these circles for recovery of Rs. 91,594 lakhs (including wrongful termination and outstanding as of the date of application). While the Company has unambiguous contractual protection, there are some apprehensions regarding Aircel's financial viability. As on the date, Aircel has failed to pay monthly infrastructure provisioning fees from November 2017 onwards and the outstanding overdues are in excess of Rs. 30,000 lakhs. Our ability to recover our outstanding dues and future infrastructure provisioning claims, is contingent on Aircel's ability to pay.

2. During the quarter, due to significant events beyond the management control such as, announcement of merger between Tata and Airtel, shutdown of wireless business by Reliance Communications (including SSTL), there has been a loss of 2,314 tenancies of Tata teleservices, Reliance Communications & SSTL. This has affected the revenue of the Company for the quarter. The continued impact of these external circumstances which are adversely affecting the telecom sector, will continue to be felt during the next quarter and next financial year.

GTL INFRASTRUCTURE LIMITED