

**GTL Limited**

**AUDITED FINANCIAL RESULTS  
FOR THE PERIOD ENDED MARCH, 2008**

Consolidated				Particulars	Rs. in Crores. Stand Alone - Parent Company			
Quarter ended March,31		Year ended March,31	Nine months Period ended March,31		Quarter ended March,31	Year ended March,31	Nine months Period ended March,31	
2008	2007	2008	2007		2008	2007	2008	2007
Audited	Unaudited	Audited	Audited		Audited	Unaudited	Audited	Audited
102.54	74.83	357.29	274.08	<b>Net Sales &amp; Services</b>				
371.99	321.57	1,414.05	651.35	- International	0.21	8.14	19.28	40.25
<b>474.53</b>	<b>396.40</b>	<b>1,771.34</b>	<b>925.43</b>	- Domestic	371.99	321.57	1,414.05	651.35
				<b>Total Net Sales &amp; Services</b>	<b>372.20</b>	<b>329.71</b>	<b>1,433.33</b>	<b>691.60</b>
296.00	262.35	1,171.62	596.50	Cost of Sales & Services	261.40	227.25	1,007.83	458.04
60.96	37.31	164.85	105.71	Cost of Delivery	20.87	22.39	80.82	67.10
<b>117.57</b>	<b>96.74</b>	<b>434.87</b>	<b>223.23</b>	<b>Gross Profit</b>	<b>89.93</b>	<b>80.07</b>	<b>344.68</b>	<b>166.46</b>
13.33	13.24	54.23	33.64	Selling & Marketing Expenses	6.06	8.63	31.56	22.67
33.28	27.85	115.78	72.35	Administration Expenses	22.89	22.10	83.81	55.22
<b>70.96</b>	<b>55.65</b>	<b>264.86</b>	<b>117.23</b>	<b>Operating Profit before Other Income , Interest and Depreciation ( EBIDTA )</b>	<b>60.98</b>	<b>49.34</b>	<b>229.31</b>	<b>88.57</b>
20.55	7.29	56.43	5.72	Interest ( Net ) and Finance Charges	21.12	6.67	59.35	5.01
12.20	10.87	49.55	30.85	Depreciation	11.61	10.52	45.88	29.96
-	NIL	-	NIL	Depreciation - amortisation of Goodwill	-	-	NIL	NIL
NIL	NIL	NIL	NIL	Less : Reversal of Depreciation	-	-	NIL	NIL
<b>38.21</b>	<b>37.49</b>	<b>158.88</b>	<b>80.66</b>	<b>Operating Profit before Other Income and Tax</b>	<b>28.25</b>	<b>32.15</b>	<b>124.08</b>	<b>53.60</b>
11.25	(6.50)	2.51	(7.62)	Other Income ( incl. Exchange Gain / ( Loss ) (Net))	(1.35)	(4.51)	(12.16)	(6.90)
<b>49.46</b>	<b>30.99</b>	<b>161.39</b>	<b>73.04</b>	<b>Profit before Tax &amp; Extra-ordinary Items</b>	<b>26.90</b>	<b>27.64</b>	<b>111.92</b>	<b>46.70</b>
11.85	2.42	21.03	5.72	Provision for Tax	11.27	1.91	18.77	3.91
(12.08)	(0.70)	(15.95)	(1.79)	Deferred Tax	(12.10)	(0.69)	(15.62)	(1.92)
0.78	0.88	2.16	1.68	Fringe Benefit Tax	0.78	0.88	2.16	1.68
<b>48.91</b>	<b>28.39</b>	<b>154.15</b>	<b>67.43</b>	<b>Net Profit after Tax</b>	<b>26.95</b>	<b>25.54</b>	<b>106.61</b>	<b>43.03</b>
-	-	119.92	NIL	Extraordinary item	-	-	21.89	NIL
<b>48.91</b>	<b>28.39</b>	<b>274.07</b>	<b>67.43</b>	<b>Net profit after extraordinary item</b>	<b>26.95</b>	<b>25.54</b>	<b>128.50</b>	<b>43.03</b>
<b>94.57</b>	<b>97.32</b>	<b>94.57</b>	<b>97.32</b>	<b>Paid-up Equity Share Capital</b>	<b>94.57</b>	<b>97.32</b>	<b>94.57</b>	<b>97.32</b>
<b>1,023.83</b>	<b>1,012.87</b>	<b>1,023.83</b>	<b>1,012.87</b>	<b>Reserves Excluding Revaluation Reserves</b>	<b>829.05</b>	<b>938.19</b>	<b>829.05</b>	<b>938.19</b>
4.85	3.05	15.30	7.24	EPS excluding extra-ordinary items - Basic (in Rs.)	2.67	2.74	10.64	4.62
4.69	2.99	14.82	6.94	EPS excluding extra-ordinary items - Diluted (in Rs.)	2.59	2.69	10.31	4.43
NA	NA	27.20	NA	EPS including extra-ordinary items - Basic (in Rs.)	NA	NA	12.75	N.A.
NA	NA	26.33	NA	EPS including extra-ordinary items - Diluted (in Rs.)	NA	NA	12.36	N.A.
				Aggregate of non-promoter shareholding				
				Number of shares	58,459,875	64,777,376	58,459,875	64,777,376
				Percentage of shareholding	61.81%	66.56%	61.81%	66.56%

Place : Mumbai  
Date : April 11, 2008

Manoj Tirodkar  
Chairman and Managing Director

**Notes:**

The above audited results for the quarter ended March 31, 2008 were taken on record by the Board of Directors in their meeting held on April 11, 2008, for the consolidated accounts of GTL and its subsidiaries

1. GTL Limited (GTL) continues to focus on single segment of Network Services. As part of Network Services the Company provides Network Design & Planning, Network Deployment, Network

2. Operations & Maintenance, Infrastructure Management, Application Management & Professional Services to Telecom Operators & Original Equipment Manufacturers (OEMs) worldwide.
3. The key financial highlights for the quarter are as stated below:

	Quarter ended		% Growth
	March 08 Rs. Crs.	March 07 Rs. Crs.	
Revenue	474.52	396.40	19.70
Gross Profit	117.56	96.74	21.52
Operating Profit	70.95	55.65	27.49
- Interest & Finance Charges	20.55	7.29	
- Depreciation Charges (Incl. amortisation of Goodwill Rs. 1.01 Crs)	12.20	10.87	
- Other Income	11.25	(6.50)	
Net Profit	48.89	28.39	72.20

3. Interest and finance charges on net basis for the quarter ended March 31, 2008 increased to Rs. 20.55 Crs as against Rs. 7.29 Crs in the corresponding quarter of the last financial year. The rise in Interest & Finance Charges is mainly on account of ECB loan, Acquisitions and Interest on cost of goods procured and relative costs thereto.
- 4(a). Other Income earned during the quarter stood at Rs. 11.25 Crs as against negative of Rs.6.50 Crs in the corresponding quarter of the previous year.
- 4(b). Hedging, Derivatives & Forex Instruments:

The Company and its subsidiaries execute projects in 35 countries and thus has exposure in several currencies related to bank deposits, payment to suppliers, receivables, and loans e.g. ECB/Suppliers' credit. Fluctuations in currency exchange rates and interest rates are the potential risks in these transactions. The Company has used hedges, forex forward bookings, currency and interest rate swaps and related derivatives as part of its overall strategy to manage the level of exposure with following objectives:

- a. To cover its import obligations
- b. To hedge its loan, related principal repayment and interest exposures e.g ECB
- c. To reduce its interest cost on foreign currency borrowings

The Company assesses, both at the inception of the hedge and on an on going basis, whether the derivatives that are used in hedging transactions are effective in risk mitigation. The Company does not hold derivatives for trading purposes.

In accordance with the recommendations on 'Derivative positions of Companies' given by the Institute of Chartered Accountants of India, GTL and its subsidiaries' derivative position on consolidated basis is as stated below:

Particulars	Rs Crs.
Realized gains	34.22
Mark to market losses (Provided for in the books of accounts)	30.64
Mark to market gains (Not recognized in the books of accounts)	8.16

Certain Derivative Instruments have gains on mark-to-market basis, as stated above of Rs. 8.16 Crs. The same is not recognized as Income, in view of principle of prudence. During the year, the company has appointed CRISIL to advise and implement risk management measures and is implementing a risk management system called Corporate Operational Risk Evaluator (CORE).

5. Hive off of BPO/KPO assets:  
The company is reducing its exposure to IT businesses. During the last quarter, the IT Application Management, BPO, KPO and certain software related business and the assets related to these businesses were transferred to Global Proserv Ltd, a 100% subsidiary. The company has invested Rs. 71.87 Crs through allotment of Equity and Preference shares in Global Proserv. As the business is likely to be sold off, the investment will be recovered in due course.
6. Details of expenses exceeding 10% of the total expenditure (Unless stated otherwise)

Particulars	Rs. Crs.					
	Consolidated			Standalone		
	Quarter ended		9 months Period ended	Quarter ended		9 months Period ended
	March 31, 2008	March 31, 2007	March 31, 2007	March 31, 2008	March 31, 2007	March 31, 2007
Staff Costs	71.83	48.36	134.58	31.83	29.56	85.34

The increase in Staff expenses is due to the following reasons:

- a) The total manpower of the Company including Contract Employees as of March 31, 2008 stood at 5,045 as against 3,390 in the corresponding period ended March 31, 2007.
- b) The company acquired Genesis Consultancy- UK, ADA Cellworks- Malaysia and SCS Communications- USA, which lead to the net addition of 945 employees outside India, adding to corresponding costs.

**Other Information**

**1. Share Capital  
ESOPs**

<b>No. of outstanding ESOPs as on December 31, 2007</b>	<b>5,201,178</b>
Add : New Grants Issued during the quarter	303,000
Less : Forfeited during the quarter	131,413
Less : Converted during the quarter	69,742
<b>Total no. of outstanding ESOPs as on March 31, 2008</b>	<b>5,303,293</b>

2. The Board of Directors, subject to shareholders' approval, recommended for the year ended March 31, 2008 a dividend of Rs. 3 per share ( 30 % on par value of Rs.10 per share)
3. Status of investor grievances for the quarter ended March 31, 2008:

No. of complaints			
Pending as on 01-Jan-2008	Received during the quarter	Disposed during the quarter	Unresolved as on 31-Mar-2008
Nil	11	11	Nil



4. The Company has considered minority interest of its investment in GTL Infrastructure Ltd as per AS 23 on "Accounting for Investment in Associates in Consolidated Financial Statements" based on last audited financial statement as at December 31, 2007.
5. The figures for the corresponding quarter of the previous year are regrouped / reclassified wherever necessary to make them comparable with that of the current quarter.
6. The results for FY 07 were for 9 months as against current financial year for twelve months. However separate advertisements are being released as per
  - a. SEBI Regulation
  - b. Results comparing 12 months period for FY 07 and FY 08 in Investor interest.

**For GTL Limited**

**Date:** April 11, 2008  
**Place:** Mumbai

**Manoj Tirodkar**  
Chairman and Managing Director