



**MAHANAGAR TELEPHONE NIGAM LIMITED**

(A GOVERNMENT OF INDIA ENTERPRISE)  
CIN L32101DL1986GOJ023501

Registered and Corporate Office: Mahanagar Doorsanchar Sadan 5<sup>th</sup> Floor, 9 CGO Complex, Lodhi Road,  
New Delhi - 110 003. Tel: 011-24319020, Fax: 011-24324243, Website: [www.mtnl.net.in](http://www.mtnl.net.in) / [www.bel.net.in](http://www.bel.net.in)

**MTNL/SECTT/SE/2021**  
**June 29, 2021**

**The Secretary,  
Stock Exchanges,  
BSE/NSE/OTCQX**

**SUB: Compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 – Submission of Audited Financial Statements for the F.Y. ended on 31<sup>st</sup> March, 2021**

Dear Sir,

Further to our letter of even no. dtd. 08.06.2021, we are forwarding herewith the Audited Financial Statements (Standalone and Consolidated) alongwith relevant annexures of the Company for the Financial Year ended on 31<sup>st</sup> March, 2021 and Statutory Auditors Report on Standalone and Consolidated Financial Results, duly approved by Board of Directors in its 345<sup>th</sup> Meeting held in New Delhi today i.e. 29<sup>th</sup> June, 2021.

We are also forwarding herewith the following documents:

1) Statement on Impact of Audit Qualifications (for Audit Report with modified opinion) - Standalone and Consolidated Financial Results of F.Y. 2020-21.

Kindly acknowledge the receipt and take the same on record.

Thanking you,

Yours faithfully,

**(S B SAYAL)**  
**COMPANY SECRETARY**

## MAHANAGAR TELEPHONE NIGAM LIMITED

(A Govt. of India Enterprise)

Regd. Office: Mahanagar, Doorsanchar Sagan, 5th Floor, 9, CGO Complex, Lodhi Road, New Delhi-110003

Website: www.mtnl.net.in, Phone Off: 011-26319020, Fax: 011-24324243

CIN No. L32101DL1986GOI023501

## STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND TWELVE MONTHS ENDED ON 31/03/2021

(Rs. in Crore)

Sl. No.	Particulars	STANDALONE				
		Three Month Ended			Year Ended	
		3 months ended 31/03/2021	Preceding 3 months ended 31/12/2020	Corresponding 3 months ended 31/03/2020 in the previous year	Current Year ended 31/03/2021	Previous Year ended 31/03/2020
	AUDITED *	UNAUDITED	AUDITED *	AUDITED	AUDITED	
I	Revenue from operations	296.19	334.12	371.04	1,303.64	1,536.36
II	Other income	155.15	111.29	124.13	484.77	690.67
III	<b>Total Income (I + II)</b>	<b>451.34</b>	<b>445.41</b>	<b>495.17</b>	<b>1,788.41</b>	<b>2,227.02</b>
IV	<b>Expenses</b>					
	Purchases of Stock in Trade	0.00	0.21	-	0.21	-
	License Fees & Spectrum Charges	20.49	33.26	42.75	118.31	159.18
	Employees' Remuneration and benefits	34.28	102.06	132.80	413.03	2,124.45
	Finance cost	531.07	540.49	504.55	2,107.07	1,941.54
	Revenue Sharing	29.51	26.05	25.71	92.67	99.14
	Depreciation and amortization expense	208.38	210.97	236.88	879.65	971.95
	Administrative Expenses	328.43	173.52	176.83	699.26	626.44
	<b>Total Expenses (IV)</b>	<b>1,052.16</b>	<b>1,086.57</b>	<b>1,119.51</b>	<b>4,250.20</b>	<b>5,922.70</b>
V	<b>Profits/(Loss) before exceptional items and tax(III-IV)</b>	<b>(600.82)</b>	<b>(641.16)</b>	<b>(624.34)</b>	<b>(2,461.79)</b>	<b>(3,695.68)</b>
VI	Exceptional items	-	-	-	-	-
VII	<b>Profit/ (Loss) before tax (V - VI)</b>	<b>(600.82)</b>	<b>(641.16)</b>	<b>(624.34)</b>	<b>(2,461.79)</b>	<b>(3,695.68)</b>
VIII	<b>Tax expense</b>					
	(1) Current tax	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-
IX	<b>Profit/ (Loss) for the period from continuing operations (VII - VIII)</b>	<b>(600.82)</b>	<b>(641.16)</b>	<b>(624.34)</b>	<b>(2,461.79)</b>	<b>(3,695.68)</b>
X	Profit/ (Loss) from discontinued operations	-	-	-	-	-
XI	Tax expense of discontinued operations	-	-	-	-	-
XII	<b>Profit/ (Loss) from Discontinued Operations (after tax) (X-XI)</b>					
XIII	<b>Profit/ (Loss) for the period (IX + XII)</b>	<b>(600.82)</b>	<b>(641.16)</b>	<b>(624.34)</b>	<b>(2,461.79)</b>	<b>(3,695.68)</b>
XIV	<b>Other Comprehensive Income</b>					
A	Items that will not be reclassified to profit and loss	7.55	-	(115.32)	7.55	(115.32)
	(i) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
B	Items that will be reclassified to profit or loss	-	-	-	-	-
	(i) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	<b>Other Comprehensive Income for the year</b>	<b>7.55</b>	<b>-</b>	<b>(115.32)</b>	<b>7.55</b>	<b>(115.32)</b>
XV	<b>Total Comprehensive Income for the period (XIII+XIV)</b>	<b>(593.27)</b>	<b>(641.16)</b>	<b>(739.66)</b>	<b>(2,454.24)</b>	<b>(3,811.00)</b>
XVI	Paid up Equity Share Capital				630.00	630.00
XVII	Other Equity excluding revaluation reserves				(16,669.88)	(14,215.65)
XVIII	<b>Earnings per equity Share (of Rs.10 each) for continuing operations:(not annualised)</b>					
	(1) Basic	(9.54)	(10.18)	(9.91)	(39.08)	(58.66)
	(2) Diluted	(9.54)	(10.18)	(9.91)	(39.08)	(58.66)
XIX	<b>Earnings per equity Share of Rs.10 each(for discontinued operations):(not annualised)</b>					
	(1) Basic	-	-	-	-	-
	(2) Diluted	-	-	-	-	-
XX	<b>Earnings per equity Share of Rs.10 each (for discontinued &amp; continuing operations): (not annualised)</b>					
	(1) Basic	(9.54)	(10.18)	(9.91)	(39.08)	(58.66)
	(2) Diluted	(9.54)	(10.18)	(9.91)	(39.08)	(58.66)

See accompanying notes to the financial results



**Notes:**

1. The financial results have been prepared in accordance with the Indian Accounting Standards (Ind- AS) as prescribed under Section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.
2. The above results have been reviewed and adopted by the Board of Directors of the Company in their meeting held on 29.06.2021
3. \* The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the respective financial year.
4. During the current financial year, Company raised Rs. 6500 Crore Non-Convertible Debentures based on Sovereign Guarantee given by Government of India.
5. The figures for the previous periods have been regrouped wherever necessary to conform to the current period presentation.

For and on behalf of the Board



(P.K.Purwar)

Chairman & Managing Director

DIN: 06619060

Place : New Delhi  
Date : 29.06.2021



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CIN No: L32101DL1986GOI023501

STANDALONE AUDITED SEGMENT WISE REVENUE, RESULTS AND ASSETS &amp; LIABILITIES FOR THE QUARTER AND TWELVE MONTHS ENDED ON 31/03/2021

(Rs. in Crore)

Sl. No.	Particulars	STANDALONE				
		Three Month Ended			Year Ended	
		3 months ended 31/03/2021	Preceding 3 months ended 31/12/2020	Corresponding 3 months ended 31/03/2020 in the previous year	Current year ended 31/03/2021	Previous year ended 31/03/2020
	AUDITED *	UNAUDITED	AUDITED *	AUDITED	AUDITED	
1.	<b>Revenue from Operations</b>					
	Basic & other Services	262.68	299.30	331.00	1,180.79	1,384.28
	Cellular	33.93	35.19	40.51	124.51	154.12
	Unallocable					
	<b>Total</b>	<b>296.61</b>	<b>334.50</b>	<b>371.51</b>	<b>1,305.30</b>	<b>1,538.40</b>
	Less: inter Segment Revenue	0.43	0.38	0.47	1.66	2.05
	<b>Net Revenue from Operations</b>	<b>296.19</b>	<b>334.12</b>	<b>371.04</b>	<b>1,303.64</b>	<b>1,536.36</b>
2.	<b>Segment Result before interest income, exceptional items, finance cost and tax</b>					
	Basic & other Services	5.70	42.61	(194.53)	98.80	(1,496.58)
	Cellular	(122.26)	(130.11)	(80.59)	(483.93)	(634.98)
	Unallocable	20.04	(19.52)	140.55	(20.41)	235.08
	<b>Total</b>	<b>(96.52)</b>	<b>(107.01)</b>	<b>(134.57)</b>	<b>(405.54)</b>	<b>(1,896.47)</b>
	Add: Exceptional items					
	Add: Interest Income	26.77	6.34	14.77	50.82	142.33
	Less: Finance cost	531.07	540.49	504.55	2,107.07	1,941.54
	<b>Profit/ (Loss) before tax</b>	<b>(600.82)</b>	<b>(641.16)</b>	<b>(624.34)</b>	<b>(2461.79)</b>	<b>(3695.68)</b>
	Less: Provision for Current Tax & Deferred tax					
	<b>Profit/ (Loss) after tax</b>	<b>(600.82)</b>	<b>(641.16)</b>	<b>(624.34)</b>	<b>(2,461.79)</b>	<b>(3,695.68)</b>
3.	<b>Capital Employed</b>					
	(Segment Assets - Segment Liabilities)					
	<b>Segment Asset</b>					
	Basic & other Services	7,124.08	7,300.36	7,291.11	7,124.08	7,291.11
	Cellular	4,365.73	4,504.65	4,799.00	4,365.73	4,799.00
	Unallocable/Eliminations	1,860.91	1,866.63	4,565.96	1,860.91	4,565.96
	<b>Total Segment Assets</b>	<b>13,350.73</b>	<b>13,671.63</b>	<b>16,656.08</b>	<b>13,350.73</b>	<b>16,656.08</b>
	<b>Segment Liabilities</b>					
	Basic & other Services	2,585.83	3,256.18	5,961.51	2,585.83	5,961.51
	Cellular	24,081.77	23,713.93	22,509.49	24,081.77	22,509.49
	Unallocable/Eliminations	2,723.02	2,146.56	1,770.73	2,723.02	1,770.73
	<b>Total Segment Liabilities</b>	<b>29,390.61</b>	<b>29,116.67</b>	<b>30,241.72</b>	<b>29,390.61</b>	<b>30,241.72</b>
	<b>Segment Capital Employed</b>					
	Basic & other Services	4,538.26	4,044.18	1,329.61	4,538.26	1,329.61
	Cellular	(19,716.04)	(19,209.29)	(17,710.48)	(19,716.04)	(17,710.48)
	Unallocable/Eliminations	(862.10)	(279.94)	2,795.23	(862.10)	2,795.23
	<b>Capital Employed</b>	<b>(16,039.88)</b>	<b>(15,445.04)</b>	<b>(13,585.65)</b>	<b>(16,039.88)</b>	<b>(13,585.65)</b>

Place : New Delhi  
Date : 29.06.2021

For and on behalf of the Board

(P.K. Purwar)

Chairman & Managing Director  
DIN: 06619060

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CIN No: I32101DL1986G01023501

**STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE HALF YEAR AND TWELVE MONTHS ENDED ON 31/03/2021**

(Pursuant to Regulation 52 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015)

(Rs in Crore)

Sl. No.	Particulars	6 months ended	Corresponding 6	Year to date figures	Previous
		31/03/2021	months ended	for Current period	accounting year
		AUDITED*	31/03/2020 in the	ended 31/03/2021	ended 31/03/2020
		AUDITED*	previous year	AUDITED	AUDITED
I	Revenue from operations	630.31	754.68	1,303.64	1,536.36
II	Other Income	266.43	340.25	484.77	690.67
III	<b>Total income (I + II)</b>	<b>896.74</b>	<b>1,094.94</b>	<b>1,788.41</b>	<b>2,227.02</b>
IV	<b>Expenses</b>				
	Purchases of Stock in Trade	0.21	-	0.21	-
	License Fees & Spectrum Charges	53.75	86.18	118.31	159.18
	Employees' Remuneration and benefits	136.34	887.31	413.03	2,124.45
	Finance cost	1,071.55	983.29	2,107.07	1,941.54
	Revenue Sharing	55.57	45.11	92.67	99.14
	Depreciation and amortization expense	419.35	477.17	879.65	971.95
	Administrative Expenses	401.95	308.73	639.26	626.44
	<b>Total Expenses (IV)</b>	<b>2,138.72</b>	<b>2,787.78</b>	<b>4,250.20</b>	<b>5,922.70</b>
V	<b>Profits/(Loss) before exceptional items and tax(III-IV)</b>	<b>(1,241.98)</b>	<b>(1,692.84)</b>	<b>(2,461.79)</b>	<b>(3,695.68)</b>
VI	Exceptional items	-	-	-	-
VII	<b>Profit/ (Loss) before tax (V - VI)</b>	<b>(1,241.98)</b>	<b>(1,692.84)</b>	<b>(2,461.79)</b>	<b>(3,695.68)</b>
VIII	Tax expense:				
	(1) Current tax	-	-	-	-
	(2) Deferred tax	-	-	-	-
IX	<b>Profit/ (Loss) for the period from continuing operations (VII - VIII)</b>	<b>(1,241.98)</b>	<b>(1,692.84)</b>	<b>(2,461.79)</b>	<b>(3,695.68)</b>
X	Profit/ (Loss) from discontinued operations	-	-	-	-
XI	Tax expense of discontinued operations	-	-	-	-
XII	Profit/ (Loss) from Discontinued Operations (after tax) (X-XI)	-	-	-	-
XIII	<b>Profit/ (Loss) for the period (IX + XII)</b>	<b>(1,241.98)</b>	<b>(1,692.84)</b>	<b>(2,461.79)</b>	<b>(3,695.68)</b>
XIV	Other Comprehensive Income	7.55	(115.32)	7.55	(115.32)
XV	<b>Total Comprehensive Income for the period (XIII + XIV)</b>	<b>(1,234.42)</b>	<b>(1,808.17)</b>	<b>(2,454.24)</b>	<b>(3,811.00)</b>
XVI	Earnings per equity Share of Rs. 10 each for continuing operations: (not annualised)				
	(1) Basic	(19.71)	(26.87)	(39.08)	(58.66)
	(2) Diluted	(19.71)	(26.87)	(39.08)	(58.66)
XVII	Earnings per equity Share of Rs. 10 each for discontinued operations:(not annualised)				
	(1) Basic	-	-	-	-
	(2) Diluted	-	-	-	-
XVIII	Earnings per equity Share of Rs. 10 each for discontinued & continuing operations: (not annualised)				
	(1) Basic	(19.71)	(26.87)	(39.08)	(58.66)
	(2) Diluted	(19.71)	(26.87)	(39.08)	(58.66)
XIX	Paid up equity share capital (Face value of Rs. 10/- each)	630.00	630.00	630.00	630.00
XX	Paid up Debt Capital	9,480.00	2,980.00	9,480.00	2,980.00
XXI	Reserves excluding Revaluation Reserves as per balance sheet	-	-	(16,669.83)	(14,215.65)
XXII	Debtenture Redemption Reserve	45.27	45.27	45.27	45.27
XXIII	Debt Equity Ratio	(1.30)	(1.23)	(1.30)	(1.23)
XXIV	Debt Service Coverage Ratio (DSCR)	(0.09)	(1.30)	(0.12)	(0.68)
XXV	Interest Service Coverage Ratio (ISCR)	(0.16)	(1.78)	(0.17)	(0.90)

## Notes:

- The above results have been reviewed and adopted by the Board of Directors of the Company in their meeting held on 29.06.2021
- Paid up Debt Capital excludes NCDs issued to the tune of Rs.4533.97 Crores for which the liability to pay Interest & Principal is on Government.
- Debt Equity Ratio = (Long Term Borrowings + Short Term Loans + Current Maturity of Long Term Borrowings)/(Share Capital + Other Equity). Debt Equity Ratio is in negative due to Negative Networth of the Company.
- Debt Service Coverage Ratio (DSCR) = Earnings before Finance Cost and Tax (after exceptional items)/ (Finance Expense + Schedule Principal Repayment during the period)
- Interest Service Coverage Ratio (ISCR) = Earnings before Finance Cost and Tax (after exceptional items)/ Finance Expense
- \* The figures of current half year ended 31.03.2021 and corresponding half year ended 31.03.2020 are the balancing figures between audited figures in respect of the full financial year and the published half year figures upto the first half year of the respective financial year.

For and on behalf of the Board

*P. K. Purwar*  
(P. K. Purwar)

Chairman & Managing Director  
DIN: 06619060

Place : New Delhi  
Date : 29.06.2021



## MAHANAGAR TELEPHONE NIGAM LIMITED

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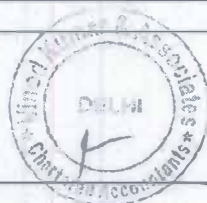
Website : www.mtnl.net.in, Phone Off: 011-24319020, Fax: 011-24324243

CIN No. L32101DL1986GOI023501

## STANDALONE AUDITED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Crore)

Particulars	STANDALONE	
	As at 31.03.2021	As at 31.03.2020
	AUDITED	AUDITED
<b>ASSETS</b>		
(1) Non-current assets		
(a) Property, Plant and Equipment	3,252.16	3,486.95
(b) Capital work-in-progress	184.25	328.08
(c) Right-of-Use Asset	446.52	503.16
(d) Investment Property	36.59	31.42
(e) Intangible assets	2,431.86	2,766.21
(f) Financial Assets		
(i) Investments	106.13	106.13
(ii) Loans	196.34	202.34
(iii) Others	11.96	0.63
(g) Non Current Tax Asset	515.54	706.98
(h) Other Non Current Assets	29.36	23.85
<b>Total non-current assets</b>	<b>7,210.71</b>	<b>8,155.77</b>
(2) Current assets		
(a) Inventories	8.75	18.54
(b) Financial Assets		
(i) Trade Receivables	764.59	620.74
(ii) Cash and cash equivalents	103.76	142.68
(iii) Bank Balances other than (ii) above	155.54	13.02
(iv) Loans	3,659.00	3,545.20
(v) Other Financial Assets	701.04	3,492.91
(c) Other current assets	711.44	631.32
<b>Total Current assets</b>	<b>6,104.12</b>	<b>8,464.40</b>
(3) Asset held for sale	35.92	35.90
<b>Total Assets{1+2+3}</b>	<b>13,350.75</b>	<b>16,656.08</b>
<b>EQUITY AND LIABILITIES</b>		
(1) Equity		
(a) Equity Share Capital	630.00	630.00
(b) Other Equity	(16,669.88)	(14,215.65)
<b>Total Equity</b>	<b>(16,039.88)</b>	<b>(13,585.65)</b>
<b>LIABILITIES</b>		
(i) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	18,172.18	12,554.15
(ii) Lease Liabilities	179.46	221.03
(iii) Other Financial Liabilities	208.90	199.97
(b) Long Term Provisions	238.59	240.12
(c) Other Non Current liabilities	96.93	120.62
<b>Total Non-Current Liabilities</b>	<b>18,896.06</b>	<b>13,335.88</b>
(ii) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	5,673.87	9,296.42
(ii) Lease Liabilities	71.08	103.91
(iii) Trade Payables		
(A) total outstanding dues of micro enterprises and small enterprises	42.51	47.13
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	646.83	735.19
(iv) Other Financial Liabilities	3,249.07	5,891.44
(b) Other current liabilities	640.46	652.75
(c) Short Term Provisions	170.75	179.01
<b>Total Current Liabilities</b>	<b>10,494.57</b>	<b>16,905.84</b>
(2) <b>Total Liabilities (i) + (ii)</b>	<b>29,390.63</b>	<b>30,241.72</b>
<b>Total Equity and Liabilities (1 + 2)</b>	<b>13,350.75</b>	<b>16,656.08</b>

Place : New Delhi  
Date : 29.06.2021

For and on behalf of the Board

(P. K. Purwar)

Chairman &amp; Managing Director

DIN: 06619060

**MAHANAGAR TELEPHONE NIGAM LIMITED**  
**Standalone Audited Cash Flow Statement for the year ended 31st March, 2021**

		(Rs. in crores)	
		Year ended	
		31st March 2021	31st March 2020
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit/(Loss) before tax		
	Continuing operations	(2461.79)	(3695.68)
	Discontinued operations	-	-
		<b>(2461.79)</b>	<b>(3695.68)</b>
	<b>Adjustments for:</b>		
	Depreciation expense	545.30	636.23
	Amortisation expense	334.35	335.72
	Loss/ Gain on disposal of property, plant and equipment (Net)	(3.17)	(0.77)
	Dividend Income	(2.14)	(1.68)
	Interest income	(50.82)	(142.33)
	Excess provisions written back	(39.77)	(157.09)
	Provision for doubtful debts including discount	81.47	64.50
	Provision for obsolete inventory	4.80	3.01
	Provision for doubtful claims	2.70	0.91
	Loss of assets	9.79	2.33
	Provision For Abandoned Work- CWIP	0.00	0.00
	Remeasurement gains and loss on employee benefit obligations	7.55	(115.32)
	Finance costs	2107.07	1941.54
	Bad debts recovered	(0.01)	(0.08)
	Bad debts written off	1.56	15.23
	<b>Operating profit before working capital changes</b>	<b>536.89</b>	<b>(1113.49)</b>
	<b>Movement in working capital</b>		
	(Increase)/ Decrease in loans	(89.90)	(113.57)
	(Increase)/ Decrease in inventories	(4.80)	0.29
	(Increase)/ Decrease in other financial assets	2,791.88	(2593.01)
	(Increase)/ Decrease in other assets	(85.63)	267.46
	(Increase)/ Decrease in trade and other receivables	(226.87)	(96.54)
	Increase/ (Decrease) in other financial liabilities	(3243.18)	3015.96
	Increase/ (Decrease) in other liabilities	(35.99)	(136.76)
	Increase/ (Decrease) in provisions, trade and other payables	(63.61)	(472.20)
	<b>Cash flow from operating activities post working capital changes</b>	<b>(421.20)</b>	<b>(1241.86)</b>
	Income tax (paid)/refunds (net)	191.45	16.73
	<b>Net cash flow from operating activities (A)</b>	<b>(229.75)</b>	<b>(1225.13)</b>
<b>B</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
	Purchase of Property, Plant and Equipment, Investment property and Intangible assets (including capital work-in-progress) (net of sale proceeds)	(102.15)	(133.26)
	Movement in fixed deposits (net)	(153.85)	8.51
	Dividend received	2.14	1.68
	Interest received	30.21	89.89
	<b>Net cash flows used in investing activities (B)</b>	<b>(223.65)</b>	<b>(33.18)</b>
<b>C</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	Proceeds and repayment from long-term borrowings (net)	6005.78	1594.24
	Proceeds and repayment of short-term borrowings (net)	(3622.55)	1676.07
	Finance cost paid	(1859.12)	(1880.68)
	Payment towards Lease Liability	(109.62)	(63.49)
	<b>Net cash used in financing activities (C)</b>	<b>414.49</b>	<b>1326.15</b>
	Increase in cash and cash equivalents (A+B+C)	(38.91)	67.83
	Cash and cash equivalents at the beginning of the year	142.68	74.85
	<b>Cash and cash equivalents at the end of the year</b>	<b>103.76</b>	<b>142.68</b>



Place : New Delhi  
 Date : 29.06.2021

For and on behalf of the Board

*P. K. Purwar*  
 P. K. Purwar

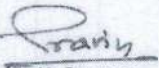
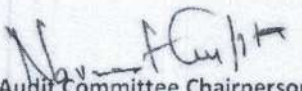
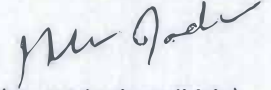
Chairman & Managing Director  
 DIN: 06619060

## ANNEXURE I

**MAHANAGAR TELEPHONE NIGAM LIMITED**  
( A Govt. of India Enterprise)

Corporate & Registered Office: Mahanagar Doorsanchar Sadan, 5th Floor, 9, CGO Complex, Lodhi Road, New Delhi-110003  
CIN No: L32101DL1986GO1023501

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)  
submitted along-with Annual Audited Financial Results - (Standalone)**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2019]				
I.	SLNO	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In crs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. In crs)
	1.	Turnover/Total Income	1,788.41	1,814.28
	2.	Total Expenditure	4,250.20	4442.21
	3.	Net Profit/(Loss)	(2,461.79)	(2627.93)
	4.	Earnings Per Share	(39.08)	(41.73)
	5.	Total Assets	13,350.75	13,241.41
	6.	Total Liabilities	29390.63	29447.43
	7.	Net Worth	(16039.88)	(16206.02)
	8.	Any other financial item(s) (as felt appropriate by the management)	---NA---	
II.	<b>Audit Qualification (each audit qualification separately):</b>			
	a. Details of Audit Qualification: <i>Attached</i>			
	b. Type of Audit Qualification : <i>Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</i>			
	c. Frequency of qualification: <i>Whether appeared first time / repetitive / since how long continuing: Item No 1 to 12 of qualification are repetitive and item no 13 to 16 is addition during the current year.</i>			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor			
	(i) Management's estimation on the impact of audit qualification:			
	(ii) If management is unable to estimate the impact, reasons for the same:			
	(iii) Auditors' Comments on (i) or (ii) above:			
III.	<b>Signatories:</b>			
	 (P. K. Purwar CMD	 Audit Committee Chairperson	For Vinod Kumar & Associates Chartered Accountants FRN00230N  (CA. Mukesh Dadhich) Partner M.No. 511741	For SPMG & Co. Chartered Accountants FRN: 509249C VINOD GUPTA <small>Digitally signed by VINOD GUPTA Date: 2021.06.29 16:35:05 +05'30'</small> (CA. Vinod Gupta) Partner M.No. 090687
	Place: New Delhi			
	Date: 29 <sup>th</sup> June, 2021			



**Disclosures as per Regulation 52 (4) of SEBI (LODR) Regulations, 2015 for the Half year ended March 31, 2021**

Particulars		Disclosures	
(a)	Credit rating and change in credit rating (if any);	Crisil Rating - CRISIL AAA(CE)/Stable Care Rating - CARE AAA (CE)/Stable BRICKWORK Rating - BWR AAA (CE)/Stable	
(b)	Asset cover available, in case of non convertible debt securities;	Not Applicable as all the debentures are Unsecured	
(c)	Debt-equity ratio;	-1.30	
(d)	<b>Previous due date for the payment of interest/ dividend for non-convertible redeemable preference shares/ repayment of principal of non-convertible preference shares /non convertible debt securities and whether the same has been paid or not; and,</b>	<b>Series</b>	<b>Dates</b>
		Rs 1005 Cr	28th March 2021, Paid on Tuesday 30th March 2021, due to bank holidays on 28th March 2021 and 29th March 2021
		Rs 1975 Cr	05th December 2020
		Rs 765 Cr	26th March 2021
		Rs 1500.07 Cr	19th November 2020
		Rs 2268.90 Cr	28th November 2020
		Rs 4361.40 Cr	No Payment Due
		Rs 2138.60 Cr	No Payment Due
(e)	<b>Next due date for the payment of interest/ dividend of non-convertible preference shares /principal along with the amount of interest/ dividend of non-convertible preference shares payable and the redemption amount;</b>	<b>Series</b>	<b>Dates</b>
		Rs 1005 Cr	28th September 2021
		Rs 1975 Cr	05th June 2021 (paid)
		Rs 765 Cr	26th September 2021, to be paid on 27th September 2021 as 26th September 2021 is bank holidays on account of Sunday.
		Rs 1500.07 Cr	19th May 2021 (Paid)
		Rs 2268.90 Cr	28th May 2021 (Paid)
		Rs 4361.40 Cr	12th April 2021 (Paid)
		Rs 2138.60 Cr	21st June 2021 (Paid)
(f)	Debt service coverage ratio;	-0.12	
(g)	Interest service coverage ratio;	-0.17	
(h)	Outstanding redeemable preference shares (quantity and value);	Not Applicable	
(i)	Capital redemption reserve/debenture redemption reserve;	45.27	DRR
(j)	Net worth;	-16,039.88	
(k)	Net profit after tax;	-2,461.79	
(l)	Earnings per share:	(39.08)	( Basic & Diluted)

For and on behalf of the Board



(P.K.Purwar)

Chairman & Managing Director

DIN: 06619060

Place : New Delhi

Date : 29.06.2021



VINOD KUMAR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
503, Chiranjiv Tower,  
43, Nehru Place,  
New Delhi – 110019

SPMG & Co.  
CHARTERED ACCOUNTANTS  
3322-A, 2nd Floor,  
Bank Street, Karol Bagh,  
New Delhi – 110005

**Independent Auditor's Report on Standalone Quarterly Financial Results and Year to date results of Mahanagar Telephone Nigam Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended.**

**TO THE BOARD OF DIRECTORS OF MAHANAGAR TELEPHONE NIGAM LIMITED**

**1. Qualified Opinion**

We have audited the accompanying Statement of Standalone Financial Results of **Mahanagar Telephone Nigam Limited** ("the Company") for the quarter and year ended March 31, 2021 (herein after referred to as "the Statement"), attached herewith being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to the explanations given to us except for the effects/possible effects of the matter described in the Basis for Qualified opinion para below, these standalone financial results:

- a) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of the net loss and other comprehensive loss and other financial information for the quarter ended March 31, 2021 and of the net loss and other comprehensive loss and other financial information for the year ended March 31, 2021.

**2. Basis for Qualified Opinion**

- i. The Net Worth of the Company has been fully eroded: The Company has incurred net cash loss during the quarter and Year ended March 31<sup>st</sup> 2021 as well as in the previous year and the current liabilities exceeded the current assets substantially.

Furthermore, Department of Public Enterprises vide its Office Memorandum No. DPE/5(1)/2014-Fin. (Part-IX-A) has classified the status of the Company as "Incipient Sick CPSE". Department of Telecommunication (DOT) has also confirmed the status vide its issue no. I/3000697/ 2017 through file no. 19-17/2017 – SU-II.

However, the standalone financial results of the Company have been prepared on a going concern basis keeping in view the majority stake of the Government of India.

Further, Union Cabinet has also approved the "Revival plan of BSNL and MTNL" by reducing employee costs, administrative allotment of spectrum for 4G services, debt restructuring by raising of sovereign guarantee bonds, monetization of assets and in principle approval for merger of BSNL and MTNL. Further, the Company has implemented the Voluntary Retirement



Scheme in FY 2019-20 resulted into reduction in Employees Cost and also raised funds by issuing Bonds for ₹ 6,500 crore in FY 2020-21 in line with cabinet note.

ii. **Bharat Sanchar Nigam Limited (BSNL):**

- a) The Company has certain balances receivables from and payables to Bharat Sanchar Nigam Limited (BSNL). The net amount recoverable of Rs. 3608.71 Crores is subject to reconciliation and confirmation. In view of non-reconciliation and non-confirmation and also in view of various pending disputes regarding claims and counter claims, we are not in a position to ascertain and comment on the correctness of the outstanding balances and resultant impact of the same on the standalone financial results of the Company.
- b) The Company has not provided a provision for doubtful claims in respect of lapsed CENVAT Credit due to non-payment of service tax to service providers within the period of 180 days and due to transition provision under Goods and Service Tax (GST) where the aforesaid CENVAT credit amounting to Rs. 144.66 Crores has not been carried forward resulting in overstatement of Current Assets and understatement of loss to that extent.
- iii. The Company has certain balances receivables from and payables to Department of Telecommunication (DOT). The net amount recoverable of Rs. 299.07 Crores, Out of which Rs. 298.92 Crores is subject to reconciliation and confirmation. In view of non-reconciliation and non-confirmation, we are not in a position to ascertain and comment on the correctness of the outstanding balances and resultant impact of the same on the standalone financial results of the Company
- iv. Up to financial year 2011-12 License Fee payable to the DOT on IUC charges to BSNL was worked out on accrual basis as against the terms of License agreements requiring deduction for expenditure from the gross revenue to be allowed on actual payment basis. From financial year 2012-13, the license fee payable to the DOT has been worked out strictly in terms of the license agreements. The Company continues to reflect the difference in license fee arising from working out the same on accrual basis as aforesaid for the period up to financial year 2011-12 by way of contingent liability of Rs. 140.36 Crores instead of actual liability resulting in understatement of current liabilities and understatement of loss to that extent.
- v. The Company had allocated the overheads towards capital works in a manner which is not in line with the accepted accounting practices and Indian Accounting Standard – 16 “Property, Plant and Equipment” prescribed under Section 133 of the Act, the same results into overstatement of capital work in progress/ property, plant and equipment and understatement of loss. The actual impact of the same on the standalone financial results for year is not ascertained and quantified.
- vi. Except for the impairment loss of assets of CDMA units provided in earlier years, no adjustment has been considered on account of impairment loss, if any, during the year, with reference to Indian Accounting Standard – 36 “Impairment of Assets” prescribed under Section 133 of the Act. In view of uncertainty in achievement of future projections made by the company, we are unable to ascertain and comment on the provision required in



respect of impairment in carrying value of cash generating units and its consequent impact on the loss for the quarter and the year ended March 31<sup>st</sup>, 2021, accumulated balance of other equity and also the carrying value of the cash generating units.

- vii. The Company does not follow a system of obtaining confirmations and performing reconciliation of balances in respect of amount receivables from trade receivables, deposits with Government Departments and others, claim recoverable from operators and others parties and amount payables to trade payables, claim payable to operators, and amount payable to other parties. Accordingly, amount receivables from and payables to the various parties are subject to confirmation and reconciliation. Pending such confirmation and reconciliations, the impact thereof on the standalone financial results are not ascertainable and quantifiable.
- viii. Unlinked credit of Rs. 88.22 Crores on account of receipts from subscribers against billing by the Company which could not be matched with corresponding receivables is appearing as liabilities in the balance sheet. To that extent, trade receivables and current liabilities are overstated. Pending reconciliations, the impact thereof on the standalone financial results are not ascertainable and quantifiable.
- ix. Property, Plant and Equipment are generally capitalized on the basis of completion certificates issued by the engineering department or bills received by finance department in respect of bought out capital items or inventory issued from the Stores. Due to delays in issuance of the completion certificates or receipt of the bills or receipt of inventory issue slips, there are cases where capitalization of the Property, Plant and Equipment gets deferred to next year. The resultant impact of the same on the standalone financial results by way of depreciation and amount of Property, Plant and Equipment capitalized in the balance sheet cannot be ascertained and quantified.
- x. Certain Land and Buildings transferred to MTNL from DOT in earlier years have been reflected as leasehold. In the absence of relevant records, we are not in a position to comment on the classification, capitalization and amortization of the same as leasehold and also the consequential impacts, if any, of such classification, capitalization and amortization not backed by relevant records. In the absence of relevant records, impact of such classification on the standalone financial results cannot be ascertained and quantified.
- xi. Department of Telecommunication (DOT) had raised a demand of Rs. 3313.15 Crores in 2012-13 on account of one time charges for 2G spectrum held by the Company for GSM and CDMA for the period of license already elapsed and also for the remaining valid period of license including spectrum given on trial basis.

As explained the demand for spectrum usage for CDMA for Rs 107.44 Crores has been withdrawn by DOT on account of rectification of actual usage.

Also as explained, pending finality of the issue by the Company regarding surrender of a part of the spectrum, crystallization of issue by the DOT in view of the claim being contested by private operators and because of the matter being sub-judice in the Apex Court on account of dispute by other private operators on the similar demands, the amount payable, if any, is indeterminate. Accordingly, no liability has been created for the demand



made by DOT on this account and Rs. 3205. 71 Crores has been disclosed as contingent liability till FY 2018-19 although no further demand is there from DOT till date. However as explained further, the TDSAT while setting aside the levy of OTSC on spectrum allotted beyond 6.2 Mhz, directed Govt. to review the demand for spectrum allotted after 1-7-2008 and that too wef 1-1-2013 in case the spectrum beyond 6.2 Mhz was allotted before 1-1-2013. As explained, as per the TDSAT orders also no further demand is raised till now and as per management based on TDSAT direction the demand, if any, cannot be more than Rs 455.15 crores the same is considered as contingent liability.

In view of the above we are not in a position to comment on the correctness of the stand taken by the Company and the ultimate implications of the same on the standalone financial results of the Company.

- xii. The Company has deducted/collected Liquidated Damages and withheld Charges from vendors on account of non-fulfilment of contracted conditions, on which liability for Goods and Services Tax (GST) has not been considered. The actual impact of the same on the standalone financial results for year is not ascertained and quantified.
- xiii. The company has recovered Electricity Charges from the tenants, on which liability for Goods and Services Tax (GST) has not been considered, as the expenses recovered without installing sub meter. The actual impact of the same on the standalone financial results for the year has not been ascertained and quantified
- xiv. The company has not reversed the provision for expense (Accrued Liability) on regular intervals, thereby the provision for expenses account has been accumulated significantly. Accordingly, the provision for expenses remain unadjusted. Further TDS on provision for Expenses has not been deducted under chapter XVII- B of Income Tax Act, 1961. The actual impact of the same on the standalone financial results for the year has not been ascertained and quantified
- xv. The Company is making the provision for interest for late/non-payment to MSME vendors which is subject to deduction of tax under section 194A of Income Tax Act, 1961. The actual impact of the same on the standalone financial results for year is not ascertained and quantified.
- xvi. The income arising on account of rental in respect of property occupied by the BSNL amounting to Rs. 25.78 Crores accrued during the current financial year has not been recognised in the Standalone financial results. Accordingly, the Goods and Services Tax (GST) has also not been considered. The accumulated impact on the standalone financial results of such income for the current year and preceding years is not ascertained and quantified.

The above basis for qualified opinion referred to in Para no. (i) to (xii) were subject matter of qualification in the Auditor's Report for the year ended on March 31<sup>st</sup>, 2020.

In the absence of information, the effect of which can't be quantified, we are unable to comment on the possible impact of the items stated in the point nos. (i), (ii)(a), (ii)(b), (iii), (v), (vi), (vii), (viii), (ix), (x), (xi), (xii), (xiii), (xiv), (xv) and (xvi) on the standalone financial result of the Company for the quarter and year ended on 31<sup>st</sup> March 2021.



We conducted our audit of the standalone financial result in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Result section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial results under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial results.

### 3. Material uncertainty related to going concern

We draw attention on the standalone financial results, which indicates that the company has accumulated losses and its net worth has been fully/ substantially eroded, the company has incurred net loss/net cash loss during the current and previous year(s) and the company's current liabilities exceeded its current assets as at the balance sheet date. These events or conditions, along with other matter, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

Further, Union Cabinet has also approved the "Revival plan of BSNL and MTNL" by reducing employee costs, administrative allotment of spectrum for 4G services, debt restructuring by raising of sovereign guarantee bonds, monetization of assets and in principle approval for merger of BSNL and MTNL. Further, the Company has implemented the Voluntary Retirement Scheme in FY 2019-20 resulted into reduction in Employees Cost and also raised funds by issuing Bonds for ₹ 6,500 crore in FY 2020-21 in line with cabinet note.

Our opinion is not modified in respect of this matter.

### 4. Emphasis of Matters

- (i) With reference to pending dispute with the Income Tax Department before the Hon'ble Courts regarding deduction claimed by the Company u/s 80 IA of the Income Tax Act, 1961 we are unable to comment on the adequacy or otherwise of the provision and / or contingency reserve held by the Company.
- (ii) Impact of accounting of claims and counter claims of MTNL with M/s M&N Publications Ltd.. in a dispute over printing, publishing and supply of telephone directories for MTNL, will be given in the year when the ultimate collection / payment of the same becomes reasonably certain.
- (iii) Amount receivable from BSNL & Other Operators have been reflected as loans and other financial assets instead of bifurcating the same into trade receivables and other financial assets.
- (iv) The Amounts recoverable from Department of Telecommunication (DOT) in respect of settlement of General Provident Fund (GPF) of Combined Service Optees absorbed employees



in MTNL and the matter has been under review with DOT and the full amount of GPF including interest thereon, claimed of the Company in respect of which correspondence in going on between the Company and DOT are continued to be shown as recoverable from DOT and payable to GPF.

- (v) The payables towards license fees and spectrum usage charges have been adjusted with excess pension payouts to Combined Pensioners Optees recoverable from DOT in respect of which matter is under consideration and correspondence in going on between the Company and DOT.
- (vi) The License agreement between Company and DOT does not have any guidance on change in method of calculation of Adjusted Gross Revenue (AGR) due to migration to Ind-AS from I-GAAP. Provisioning and payment of liability in respect of license fees and spectrum usage charges payable to DOT has been done on the basis of Ind-AS based financial statements. The amount of difference in computation of Adjusted Gross Revenue (AGR) is under consideration of DOT.
- (vii) In certain cases of freehold and leasehold land the company is having title deeds which are in the name of the Company but the value of which are not lying in books of accounts of the Company.
- (viii) Income arising on account of Revenue Sharing with BSNL in respect of lease circuits provided has not been recognized in terms of Memorandum of Understanding (MOU) between BSNL and MTNL. As per MOU, revenue and expenditure will be based on the price offered to the customers after applying the discount, if any at the time of acquiring the business. However, Revenue has been recognized on the basis of available information which is either based on the Company Card Rates or Old rates of BSNL. In Some Cases, BSNL has given the information in respect of updated rates but the same has not been considered at the time of booking of revenue sharing with BSNL. In the absence of relevant updated records, we are not in a position to comment on the impact thereof on the standalone financial results.
- (ix) Dues from the Operators being on account of revenue sharing agreements are not treated as debtors and consequently are not taken into account for making provision for doubtful debts.
- (x) In pursuance DoT letter No. F.No. 30-04/2019-PSU Affairs dt. 29 October, 2019 and decision of Board of Directors of MTNL through circular regulation on 4th November, 2019, the MTNL Voluntary Retirement Scheme has been introduced with effect from 4<sup>th</sup> November, 2019 under which 14,387 number of MTNL employees opted for VRS and the expenditure of ex-gratia on account of compensation to be borne by the DOT/Government of India through budgetary supports as per approval of cabinet. Balance amount payable to VRS opted employees as on 31 March 2021 is shown in the financial statements of the company as receivable from DOT and payable to VRS retirees, to reflect the actual position with reference to VRS scheme of 2019 of MTNL.

Our opinion is not modified in respect of aforesaid matters.

### **Management's Responsibilities for the Standalone Financial Results**

The standalone financial results, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of standalone financial statements.



The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net loss and other comprehensive loss and other financial information in accordance with the Indian Accounting Standard prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related





to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

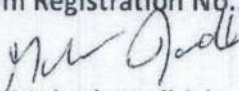
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matters

The standalone financial results include the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

**For Vinod Kumar & Associates**  
**Chartered Accountants**

**Firm Registration No.: 0023604N**

  
**CA Mukesh Dadhich**

**Partner**

**Membership No.: 511741**

**UDIN: 21511741AAAAD1827**



**For SPMG & Co.**

**Chartered Accountants**

**Firm Registration No.: 509249C**

**VINOD** Digitally signed  
by VINOD GUPTA  
Date: 2021.06.29  
16:33:09 +05'30'  
**GUPTA**  
**CA Vinod Gupta**

**Partner**

**Membership No.: 090687**

**UDIN: 21090687AAAAFZ6692**

**Place: New Delhi**

**Date: 29<sup>th</sup> June, 2021**

## MAHANAGAR TELEPHONE NIGAM LIMITED

(A Govt. of India Enterprise)

Regd. Office : Mahanagar Doorsanchar Sadan, 5th Floor, 9, CGO Complex, Lodhi Road, New Delhi-110003

Website: www.mtnl.net.in, Phone Off: 011 24319020, Fax: 011-24324243

CIN No. L32101DL1986GOI023501

## STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND TWELVE MONTHS ENDED ON 31/03/2021

(Rs. in Crore)

Sl. No.	Particulars	CONSOLIDATED				
		Three Month Ended			Year Ended	
		3 months ended 31/03/2021	Preceding 3 months ended 31/12/2020	Corresponding 3 months ended 31/03/2020 in the previous year	Current Year ended 31/03/2021	Previous year ended 31/03/2020
	AUDITED *	UNAUDITED	AUDITED *	AUDITED	AUDITED	
I	Revenue from operations	316.23	360.49	393.22	1,387.71	1,623.55
II	Other Income	154.56	110.92	125.56	485.16	693.04
III	Total Income (I + II)	470.79	471.41	518.79	1,872.87	2,316.58
IV	Expenses					
	Purchases of Stock in Trade	1.05	2.35	0.63	5.21	2.49
	License Fees & Spectrum Charges	22.76	35.65	45.35	127.94	169.87
	Employees' Remuneration and benefits	35.04	103.11	133.71	416.55	2,128.17
	Finance cost	531.15	540.51	504.68	2,107.24	1,941.66
	Revenue Sharing	33.05	28.02	30.25	109.28	117.60
	Depreciation and amortization expense	211.69	214.45	240.39	893.30	985.84
	Administrative Expenses	236.09	185.19	186.42	673.35	663.84
	Total Expenses (IV)	1,070.83	1,109.29	1,141.43	4,332.87	6,009.48
V	Profits/(Loss) before exceptional items and tax(III-IV)	(600.04)	(637.88)	(622.64)	(2,460.00)	(3,692.89)
VI	Share of Profit/(loss) in investments accounted for using equity method	0.04	0.09	0.07	0.81	0.23
VII	Exceptional items	-	-	-	-	-
VIII	Profit/ (Loss) before tax (V- VI-VII)	(600.00)	(637.78)	(622.57)	(2,459.19)	(3,692.66)
IX	Tax expense:					
	(1) Current tax	1.50	-	0.41	1.50	0.41
	(2) Deferred tax	0.57	-	0.66	0.57	0.66
X	Profit/ (Loss) for the period from continuing operations (VIII - IX)	(602.07)	(637.78)	(623.63)	(2,461.26)	(3,693.72)
XI	Profit/ (Loss) from discontinued operations	-	-	-	-	-
XII	Tax expense of discontinued operations	-	-	-	-	-
XIII	Profit/ (Loss) from Discontinued Operations (after tax) (XI-XII)	-	-	-	-	-
XIV	Profit/ (Loss) for the period (X + XIII)	(602.07)	(637.78)	(623.63)	(2,461.26)	(3,693.72)
XV	Other Comprehensive Income					
A	i) Items that will not be reclassified to profit and loss	7.55	-	(115.32)	7.55	(115.32)
	ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
B	i) Items that will be reclassified to profit or loss	(5.73)	0.69	(3.37)	(8.70)	(5.12)
	ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Other Comprehensive Income for the year	2.32	0.69	(118.69)	(1.15)	(120.44)
XVI	Total Comprehensive Income for the period (XIV+XV)	(599.75)	(637.10)	(742.33)	(2,462.41)	(3,814.17)
XVII	Paid up Equity Share Capital				630.00	630.00
XVIII	Other Equity excluding revaluation reserves				(16,674.50)	(14,212.09)
XIX	Earnings per equity Share (of Rs.10 each) for continuing operations:(not annualised)					
	(1) Basic	(9.56)	(10.12)	(9.90)	(39.07)	(58.63)
	(2) Diluted	(9.56)	(10.12)	(9.90)	(39.07)	(58.63)
XX	Earnings per equity Share of Rs.10 each(for discontinued operations):(not annualised)					
	(1) Basic	-	-	-	-	-
	(2) Diluted	-	-	-	-	-
XXI	Earnings per equity Share of Rs.10 each (for discontinued & continuing operations): (not annualised)					
	(1) Basic	(9.56)	(10.12)	(9.90)	(39.07)	(58.63)
	(2) Diluted	(9.56)	(10.12)	(9.90)	(39.07)	(58.63)

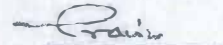
See accompanying notes to the financial results:



Notes:

- 1 The financial results have been prepared in accordance with the Indian Accounting Standards (Ind- AS) as prescribed under Section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.
- 2 The above results have been reviewed and adopted by the Board of Directors of the Company in their meeting held on 29.06.2021
- 3 During the current financial year, MTNL raised Rs. 6500 Crore Non Convertible Debentures based on Sovereign Guarantee given by Government of India.
- 4 The figures for the previous periods have been regrouped wherever necessary to conform to the current period presentation.
- 5 \* The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the respective financial year.

For and on behalf of the Board



(P K Purwar)

Chairman & Managing Director

DIN: 06619060

Place : New Delhi

Date : 29.06.2021



## MAHANAGAR TELEPHONE NIGAM LIMITED

Regd. Office : Mahanagar Doorsanchar Sadan, 5th Floor, 9, CGO Complex, Lodhi Road, New Delhi-110003

Website: www.mtnl.net.in, Phone Off 011-24319020, Fax: 011-24324243

CIN No: L32101DL1986GOI023501


## CONSOLIDATED SEGMENT WISE REVENUE, RESULTS AND ASSETS &amp; LIABILITIES FOR THE QUARTER AND TWELVE MONTHS ENDED ON 31/03/2021

(Rs. in Crore)

Sl. No.	Particulars	CONSOLIDATED				
		Three Month Ended			Year Ended	
		3 months ended 31/03/2021	Preceding 3 months ended 31/12/2020	Corresponding 3 months ended 31/03/2020 in the previous year	Current Year ended 31/03/2021	Previous Year ended 31/03/2020
	AUDITED *	UNAUDITED	AUDITED *	AUDITED	AUDITED	
1.	<b>Revenue from Operations</b>					
	Basic & other Services	262.68	299.30	331.00	1,180.79	1,384.28
	Cellular	53.96	61.56	62.66	208.52	239.83
	Unallocable	0.02	-	0.03	0.06	1.48
	<b>Total</b>	<b>316.65</b>	<b>360.86</b>	<b>393.69</b>	<b>1,389.37</b>	<b>1,625.60</b>
	Less: Inter Segment Revenue	0.43	0.38	0.47	1.66	2.05
	<b>Net Revenue from Operations</b>	<b>316.23</b>	<b>360.49</b>	<b>393.22</b>	<b>1,387.71</b>	<b>1,623.55</b>
2.	<b>Segment Result before interest income, exceptional items, finance cost and tax</b>					
	Basic & other Services	5.70	42.61	(194.53)	98.80	(1,496.58)
	Cellular	(120.13)	(126.22)	(79.26)	(480.51)	(631.42)
	Unallocable	18.67	(20.29)	140.56	(22.57)	233.53
	<b>Total</b>	<b>(95.76)</b>	<b>(103.90)</b>	<b>(133.23)</b>	<b>(404.27)</b>	<b>(1,894.47)</b>
	Add: Exceptional items	-	-	-	-	-
	Add: interest income	26.88	6.54	15.27	51.51	143.24
	Less: Finance cost	531.15	540.51	504.68	2,107.24	1,941.66
	Add: Share of profit or loss from Associates/ JV	0.04	0.09	0.07	0.81	0.23
	<b>Profit/ (Loss) before tax</b>	<b>(600.00)</b>	<b>(637.78)</b>	<b>(622.57)</b>	<b>(2459.19)</b>	<b>(3692.66)</b>
	Less: Provision for Current Tax & Deferred tax	2.07	-	1.06	2.07	1.06
	<b>Profit/ (Loss) after tax</b>	<b>(602.07)</b>	<b>(637.78)</b>	<b>(623.63)</b>	<b>(2,461.26)</b>	<b>(3,693.72)</b>
3.	<b>Capital Employed (Segment Assets - Segment Liabilities)</b>					
	<b>Segment Asset</b>					
	Basic & other Services	7,124.08	7,300.36	7,291.11	7,124.08	7,291.11
	Cellular	4,521.73	4,666.22	4,961.73	4,521.73	4,961.73
	Unallocable/Eliminations	1,729.55	1,736.07	4,435.22	1,729.55	4,435.22
	<b>Total Segment Assets</b>	<b>13,375.37</b>	<b>13,702.66</b>	<b>16,688.06</b>	<b>13,375.37</b>	<b>16,688.06</b>
	<b>Segment Liabilities</b>					
	Basic & other Services	2,585.83	3,256.18	5,961.51	2,585.83	5,961.51
	Cellular	24,109.09	23,740.04	22,535.62	24,109.09	22,535.62
	Unallocable/Eliminations	2,724.95	2,148.93	1,773.02	2,724.95	1,773.02
	<b>Total Segment Liabilities</b>	<b>29,419.87</b>	<b>29,145.14</b>	<b>30,270.16</b>	<b>29,419.87</b>	<b>30,270.16</b>
	<b>Segment Capital Employed</b>					
	Basic & other Services	4,538.26	4,044.18	1,329.61	4,538.26	1,329.61
	Cellular	(19,587.35)	(19,073.81)	(17,573.90)	(19,587.35)	(17,573.90)
	Unallocable/Eliminations	(995.41)	(412.86)	2,662.20	(995.41)	2,662.20
	<b>Capital Employed</b>	<b>(16,044.50)</b>	<b>(15,442.49)</b>	<b>(13,582.09)</b>	<b>(16,044.50)</b>	<b>(13,582.09)</b>

Note: \* The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the respective financial year.

For and on behalf of the Board



(P K Purwar)

Chairman &amp; Managing Director

DIN: 06619060

Place : New Delhi

Date : 29.06.2021



Particulars		CONSOLIDATED	
		As at 31.03.2021 Audited	As at 31.03.2020 Audited
(Rs. in Crore)			
<b>ASSETS</b>			
(1)	Non-current assets		
	(a) Property, Plant and Equipment	3,329.45	3,579.11
	(b) Capital work-in-progress	184.25	328.08
	(c) Right-of-Use Asset	447.33	503.66
	(d) Investment Property	43.95	39.79
	(e) Intangible assets	2,431.86	2,766.21
	(f) Investments accounted for using the equity method	3.17	3.51
	(g) Financial Assets		
	(i) Loans	196.34	202.67
	(ii) Others	11.96	0.63
	(h) Deferred tax assets (net)	0.00	0.00
	(i) Non Current Tax Asset	516.05	707.36
	(j) Other Non-Current Assets	29.36	23.85
	<b>Total non-current assets</b>	<b>7,193.72</b>	<b>8,154.88</b>
(2)	Current assets		
	(a) Inventories	9.05	19.32
	(b) Financial Assets		
	(i) Trade Receivables	771.71	628.96
	(ii) Cash and cash equivalents	127.09	196.60
	(iii) Bank Balances other than (ii) above	193.15	13.02
	(iv) Loans	3,659.45	3,545.35
	(v) Other Financial Assets	701.04	3,492.91
	(c) Current tax assets (Net)		0.29
	(d) Other current assets	720.07	636.68
	<b>Total Current assets</b>	<b>6,181.56</b>	<b>8,533.13</b>
(3)	Asset held for sale	0.07	0.05
	<b>Total Assets(1+2+3)</b>	<b>13,375.35</b>	<b>16,688.06</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
	(a) Equity Share Capital	630.00	630.00
	(b) Other Equity	(16,674.50)	(14,212.09)
(1)	<b>Total Equity</b>	<b>(16,044.50)</b>	<b>(13,582.09)</b>
<b>LIABILITIES</b>			
(i)	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	18,172.18	12,554.15
	(ii) Lease Liabilities	180.41	221.74
	(iii) Other Financial Liabilities	208.90	199.97
	(b) Long Term Provisions	238.58	240.12
	(c) Deferred tax liabilities (Net)	6.88	6.75
	(d) Other Non Current liabilities	97.15	120.83
	<b>Total Non-Current Liabilities</b>	<b>18,904.10</b>	<b>13,343.57</b>
(ii)	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	5,673.87	9,296.42
	(ii) Lease liabilities	71.32	104.04
	(iii) Trade Payables		
	(A) total outstanding dues of micro enterprises and small enterprises	42.51	47.13
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	659.21	748.88
	(iv) Other Financial Liabilities	3,254.68	5,896.90
	(b) Other current liabilities	641.30	653.40
	(c) Short Term Provisions	171.46	179.82
	(d) Current Tax Liabilities	1.40	
	<b>Total Current Liabilities</b>	<b>10,515.75</b>	<b>16,926.59</b>
(2)	<b>Total Liabilities (i) + (ii)</b>	<b>29,419.85</b>	<b>30,270.16</b>
	<b>Total Equity and Liabilities (1 + 2)</b>	<b>13,375.35</b>	<b>16,688.06</b>



For and on behalf of the Board

*(Signature)*  
(P.K. Purwar)

Chairman & Managing Director  
DIN No. 06619060

**MAHANAGAR TELEPHONE NIGAM LIMITED**  
Consolidated Audited Cash Flow Statement for the Year ended 31st March, 2021

		(Rs. in crores)	
		Year ended	
		31st March 2021	31st March 2020
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit/(Loss) before tax		
	Continuing operations	(2,459.19)	(3,692.66)
	Discontinued operations	-	-
		<b>(2,459.19)</b>	<b>(3,692.66)</b>
	<b>Adjustments for:</b>		
	Depreciation expense	558.95	650.12
	Amortisation expense	334.35	335.72
	Loss on disposal of property, plant and equipment (net)	(3.17)	(0.77)
	Share of (profit)/loss from associates and joint ventures	(0.81)	(0.23)
	Interest income	(51.51)	(143.24)
	Excess provisions written back	(40.26)	(157.35)
	Loss of assets	9.79	2.33
	Provision for doubtful debts including discount	81.47	64.50
	Provision for obsolete inventory	5.03	3.01
	Provision for doubtful claims	2.74	1.08
	Provision For Abandoned Work- CWIP	-	-
	Remeasurement gains and loss on employee benefit obligations	7.55	(115.32)
	Finance costs	2,107.24	1,941.66
	Bad debts recovered	(0.01)	(0.08)
	Bad debts written off	1.56	15.23
	<b>Operating profit before working capital changes</b>	<b>553.74</b>	<b>(1,096.00)</b>
	<b>Movement in working capital</b>		
	(Increase)/Decrease in loans	(90.01)	(114.37)
	(Increase)/Decrease in inventories	(4.56)	0.31
	(Increase)/Decrease in other financial assets	2,788.20	(2,594.46)
	(Increase)/Decrease in other assets	(89.03)	267.93
	(Increase)/Decrease in trade and other receivables	(226.07)	(97.21)
	Increase/(Decrease) in other financial liabilities	(3,247.38)	3,011.71
	Increase/(Decrease) in other liabilities	(35.83)	(137.70)
	Increase/(Decrease) in provisions, trade and other payables	(64.62)	(462.31)
	<b>Cash flow from operating activities post working capital changes</b>	<b>(415.56)</b>	<b>(1,222.10)</b>
	Income tax refunds (net)	191.05	16.46
	<b>Net cash flow from operating activities (A)</b>	<b>(224.51)</b>	<b>(1,205.64)</b>
	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>B</b>	<b>ACTIVITIES</b>		
	Purchase of Property, plant and equipment, investment property and intangible assets (including capital work-in-progress) (net of sale proceeds)	(99.74)	(142.55)
	Movement in fixed deposits (net)	(191.46)	8.51
	Dividend received	1.14	-
	Interest received	30.90	90.80
	<b>Net cash flows used in Investing activities (B)</b>	<b>(259.16)</b>	<b>(43.24)</b>
	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>C</b>	<b>ACTIVITIES</b>		
	Proceeds and repayment of long-term borrowings (net)	6,005.78	1,594.24
	Proceeds and repayment of short-term borrowings (net)	(3,622.55)	1,676.07
	Finance cost paid	(1,859.12)	(1,880.68)
	Payment towards Lease Liability	(109.95)	(63.73)
	<b>Net cash used in financing activities (C)</b>	<b>414.16</b>	<b>1,325.90</b>
	Increase in cash and cash equivalents (A+B+C)	(69.51)	77.02
	Cash and cash equivalents at the beginning of the year	196.60	119.58
	<b>Cash and cash equivalents at the end of the year</b>	<b>127.09</b>	<b>196.60</b>

Place : New Delhi  
Date : 29.06.2021



For and on behalf of the Board

*P. K. Purwar*  
(P. K. Purwar)

Chairman & Managing Director

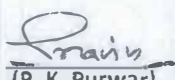
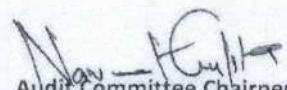
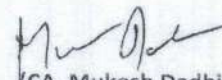

DIN No. 06619060

## ANNEXURE I

**MAHANAGAR TELEPHONE NIGAM LIMITED**  
(A Govt. of India Enterprise)

Corporate & Registered Office: Mahanagar Doorsanchar Sadan, 5th Floor, 9, CGO Complex, Lodhi Road, New Delhi-110003  
CIN No: L32101DL1986GOI023501

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)  
submitted along-with Annual Audited Financial Results - (Consolidated)**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2019]				
I.	SLNO	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. In crs)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover/Total Income	1,872.87	1,898.74
	2.	Total Expenditure	4,332.87	4524.88
	3.	Net Profit/(Loss)	(2,460.00)	(2626.14)
	4.	Earnings Per Share	(39.07)	(41.68)
	5.	Total Assets	13,375.35	13266.01
	6.	Total Liabilities	29419.85	29476.65
	7.	Net Worth	(16,044.50)	(16210.64)
	8.	Any other financial item(s) (as felt appropriate by the management)	-----NA-----	
II.	<b>Audit Qualification (each audit qualification separately):</b>			
	a. <b>Details of Audit Qualification:</b>			
	b. <b>Type of Audit Qualification :</b> Qualified Opinion / Disclaimer of Opinion / Adverse Opinion			
	c. <b>Frequency of qualification:</b> Whether appeared first time / repetitive / since how long continuing: : <b>The 1 to 12 items of qualification are repetitive and item no at 13 to 16 is addition during the year.</b>			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:			
	e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor</b>			
	(i) Management's estimation on the impact of audit qualification:			
	(ii) If management is unable to estimate the impact, reasons for the same:			
	(iii) Auditors' Comments on (i) or (ii) above:			
III.	<b>Signatories:</b>			
		For Vinod Kumar & Associates Chartered Accountants FRN00230N	For SPMG & Co. Chartered Accountants FRN: 509249C	
	 (P. K. Purwar) CMD	 Audit Committee Chairperson	 (CA. Mukesh Dadhich) Partner M.No. 511741	VINOD GUPTA Digitally signed by VINOD GUPTA Date: 2021.06.29 16:31:31 +0530' (CA. Vinod Gupta ) Partner M.No.090687
	Place: New Delhi			
	Date: 29 <sup>th</sup> June, 2021			

VINOD KUMAR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
503, Chiranjiv Tower,  
43, Nehru Place,  
New Delhi – 110019

SPMG & Co.  
CHARTERED ACCOUNTANTS  
3322-A, 2nd Floor,  
Bank Street, Karol Bagh,  
New Delhi – 110005

**Independent Auditor's Report on Consolidated Quarterly Financial Results and Year to date results of Mahanagar Telephone Nigam Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended.**

TO THE BOARD OF DIRECTORS OF MAHANAGAR TELEPHONE NIGAM LIMITED

1. **Qualified Opinion**

We have audited the accompanying Statement of Consolidated Financial Results of **Mahanagar Telephone Nigam Limited** ("The Holding") and its subsidiaries (The Holding and its Subsidiaries together referred as to as "the Group") and its joint venture and associate for the quarter and year ended March 31, 2021 (herein after referred to as "the Statement"), attached herewith being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to the explanations given to us except for the effects/possible effects of the matter described in the Basis for Qualified opinion and based on the consideration of the reports of other auditors on the separate audited financial results/financial information of the subsidiaries, joint venture and associate, the statement:

i. Includes the results of following entities:

a) **List of subsidiaries:**

- Mahanagar Telephone (Mauritius) Limited ('MTML') - Audited
- Millenium Telecom Limited – Audited

b) **List of step down subsidiaries**

- MTML Data Limited – Audited
- MTML International Limited - Audited

c) **List of Joint Ventures:**

- MTML STPI IT Services Limited ('MSISL') – Audited

d) **List of Associates:**

- United Telecommunications Limited ('UTL') - Unaudited

ii. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and





- iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of the net loss and other comprehensive loss and other financial information for the quarter ended March 31, 2021 and of the net loss and other comprehensive loss and other financial information for the group year ended March 31, 2021.

## 2. Basis for Qualified Opinion

- i. The Net Worth of the Holding Company has been fully eroded; The Holding Company has incurred net cash loss during the quarter and Year ended March 31<sup>st</sup>, 2021 as well as in the previous year and the current liabilities exceeded the current assets substantially.

Furthermore, Department of Public Enterprises vide its Office Memorandum No. DPE/5(1)/2014-Fin. (Part-IX-A) has classified the status of the Holding Company as "Incipient Sick CPSE". Department of Telecommunication (DOT) has also confirmed the status vide its issue no. I/3000697/ 2017 through file no. 19-17/2017 – SU-II.

However, the consolidated financial results of the Holding Company have been prepared on a going concern basis keeping in view the majority stake of the Government of India.

Further, Union Cabinet has also approved the "Revival plan of BSNL and MTNL" by reducing employee costs, administrative allotment of spectrum for 4G services, debt restructuring by raising of sovereign guarantee bonds, monetization of assets and in principle approval for merger of BSNL and MTNL. Further, the Holding Company has implemented the Voluntary Retirement Scheme in FY 2019-20 resulted into reduction in Employees Cost and also raised funds by issuing Bonds for ₹ 6,500 crore in FY 2020-21 in line with cabinet note

### ii. Bharat Sanchar Nigam Limited (BSNL):

- a) The Holding Company has certain balances receivables from and payables to Bharat Sanchar Nigam Limited (BSNL). The net amount recoverable of Rs. 3608.71 Crores is subject to reconciliation and confirmation. In view of non-reconciliation and non-confirmation and also in view of various pending disputes regarding claims and counter claims, we are not in a position to ascertain and comment on the correctness of the outstanding balances and resultant impact of the same on the consolidated financial results of the Holding Company.
- b) The Holding Company has not provided a provision for doubtful claims in respect of lapsed CENVAT Credit due to non-payment of service tax to service providers within the period of 180 days and due to transition provision under Goods and Service Tax (GST) where the aforesaid CENVAT credit amounting to Rs. 144.66 Crores has not been carried forward resulting in overstatement of Current Assets and understatement of loss to that extent.

- iii. The Holding Company has certain balances receivables from and payables to Department of Telecommunication (DOT). The net amount recoverable of Rs. 299.07 Crores, Out of which Rs. 298.92 Crores is subject to reconciliation and confirmation. In view of non-



reconciliation and non-confirmation, we are not in a position to ascertain and comment on the correctness of the outstanding balances and resultant impact of the same on the Consolidated financial results of the Holding Company.

- iv. Up to financial year 2011-12 License Fee payable to the DOT on IUC charges to BSNL was worked out on accrual basis as against the terms of License agreements requiring deduction for expenditure from the gross revenue to be allowed on actual payment basis. From financial year 2012-13, the license fee payable to the DOT has been worked out strictly in terms of the license agreements. The Holding Company continues to reflect the difference in license fee arising from working out the same on accrual basis as aforesaid for the period up to financial year 2011-12 by way of contingent liability of Rs. 140.36 Crores instead of actual liability resulting in understatement of current liabilities and understatement of loss to that extent.
- v. The Holding Company had allocated the overheads towards capital works in a manner which is not in line with the accepted accounting practices and Indian Accounting Standard – 16 “Property, Plant and Equipment” prescribed under Section 133 of the Act, the same results into overstatement of capital work in progress/ property, plant and equipment and understatement of loss. The actual impact of the same on the consolidated financial results for year is not ascertained and quantified.
- vi. Except for the impairment loss of assets of CDMA units provided in earlier years, no adjustment has been considered on account of impairment loss, if any, during the year, with reference to Indian Accounting Standard – 36 “Impairment of Assets” prescribed under Section 133 of the Act. In view of uncertainty in achievement of future projections made by the Holding Company, we are unable to ascertain and comment on the provision required in respect of impairment in carrying value of cash generating units and its consequent impact on the loss for the quarter and year ended March 31<sup>st</sup>, 2021, accumulated balance of other equity and also the carrying value of the cash generating units.
- vii. The Holding Company does not follow a system of obtaining confirmations and performing reconciliation of balances in respect of amount receivables from trade receivables, deposits with Government Departments and others, claim recoverable from operators and others parties and amount payables to trade payables, claim payable to operators, and amount payable to other parties. Accordingly, amount receivables from and payables to the various parties are subject to confirmation and reconciliation. Pending such confirmation and reconciliations, the impact thereof on the consolidated financial results are not ascertainable and quantifiable.
- viii. Unlinked credit of Rs. 88.22 Crores on account of receipts from subscribers against billing by the Holding Company which could not be matched with corresponding receivables is appearing as liabilities in the balance sheet. To that extent, trade receivables and current liabilities are overstated. Pending reconciliations, the impact thereof on the consolidated financial results are not ascertainable and quantifiable.
- ix. Property, Plant and Equipment are generally capitalized on the basis of completion certificates issued by the engineering department or bills received by finance department in respect of bought out capital items or inventory issued from the Stores. Due to delays in



issuance of the completion certificates or receipt of the bills or receipt of inventory issue slips, there are cases where capitalization of the Property, Plant and Equipment gets deferred to next year. The resultant impact of the same on the consolidated financial results by way of depreciation and amount of Property, Plant and Equipment capitalized in the balance sheet cannot be ascertained and quantified.

- x. Certain Land and Buildings transferred to MTNL from DOT in earlier years have been reflected as leasehold. In the absence of relevant records, we are not in a position to comment on the classification, capitalization and amortization of the same as leasehold and also the consequential impacts, if any, of such classification, capitalization and amortization not backed by relevant records. In the absence of relevant records, impact of such classification on the consolidated financial results cannot be ascertained and quantified.
- xi. Department of Telecommunication (DOT) had raised a demand of Rs. 3313.15 Crores in 2012-13 on account of one time charges for 2G spectrum held by the Company for GSM and CDMA for the period of license already elapsed and also for the remaining valid period of license including spectrum given on trial basis.

As explained the demand for spectrum usage for CDMA for Rs 107.44 Crores has been withdrawn by DOT on account of rectification of actual usage.

Also as explained, pending finality of the issue by the Company regarding surrender of a part of the spectrum, crystallization of issue by the DOT in view of the claim being contested by private operators and because of the matter being sub-judice in the Apex Court on account of dispute by other private operators on the similar demands, the amount payable, if any, is indeterminate. Accordingly, no liability has been created for the demand made by DOT on this account and Rs. 3205.71 Crores has been disclosed as contingent liability till FY 2018-19 although no further demand is there from DOT till date. However as explained further, the TDSAT while setting aside the levy of OTSC on spectrum allotted beyond 6.2 Mhz, directed Govt. to review the demand for spectrum allotted after 1-7-2008 and that too w.c.f 1-1-2013 in case the spectrum beyond 6.2 Mhz was allotted before 1-1-2013. As explained, as per the TDSAT orders also no further demand is raised till now and as per management based on TDSAT direction the demand, if any, cannot be more than Rs 455.15 crores the same is considered as contingent liability.

In view of the above we are not in a position to comment on the correctness of the stand taken by the Holding Company and the ultimate implications of the same on the consolidated financial results of the Holding Company.

- xii. The Holding Company has deducted/collected Liquidated Damages and withheld Charges from vendors on account of non-fulfilment of contracted conditions, on which liability for Goods and Services Tax (GST) has not been considered. The actual impact of the same on the consolidated financial results for year is not ascertained and quantified.
- xiii. The Holding Company has recovered Electricity Charges from the tenants, on which liability for Goods and Services Tax (GST) has not been considered, as the expenses recovered without installing sub meter. The actual impact of the same on the consolidated financial result for year is not ascertained and quantified.



- xiv. The Holding has not reversed the provision for expense (Accrued Liability) on regular intervals, thereby the provision for expenses account has been accumulated significantly. Accordingly, the provision for expenses remain unadjusted. Further TDS on provision for Expenses has not been deducted under chapter XVII- B of Income Tax Act, 1961. The actual impact of the same on the consolidated financial result for year is not ascertained and quantified.
- xv. The Holding Company is making the provision for interest for late/non-payment to MSME vendors which is subject to deduction of tax under section 194A of Income Tax Act, 1961. The actual impact of the same on the consolidated financial results for year is not ascertained and quantified.
- xvi. The income arising on account of rental in respect of property occupied by the BSNL amounting to Rs. 25.78 Crores accrued during the current financial year has not been recognised in the Standalone financial results. Accordingly, the Goods and Services Tax (GST) has also not been considered. The accumulated impact on the consolidated financial results of such income for the current year and preceding years is not ascertained and quantified.

The above basis for qualified opinion referred to in Para no. (i) to (xii) were subject matter of qualification in the Auditor's Report for the year ended March 31<sup>st</sup>, 2020.

In the absence of information, the effect of which can't be quantified, we are unable to comment on the possible impact of the items stated in the point nos. (i), (ii)(a), (ii)(b), (iii), (v), (vi), (vii), (viii), (ix), (x), (xi), (xii), (xiii) (xiv), (xv) and (xvi) on the consolidated financial result of the Holding Company for the quarter and year ended on 31<sup>st</sup> March 2021.

We conducted our audit of the Consolidated financial result in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Result section of our report. We are independent of the Group, its associate and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated financial results under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial results.

### 3. Material uncertainty related to going concern

We draw attention on the consolidated financial results, which indicates that the Holding Company has accumulated losses and its net worth has been fully/ substantially eroded, the Holding Company has incurred net loss/net cash loss during the current and previous year(s) and the Holding Company's current liabilities exceeded its current assets as at the balance sheet date.



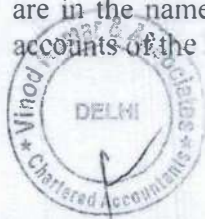
These events or conditions, along with other matter, indicate that a material uncertainty exists that may cast significant doubt on the Holding Company's ability to continue as a going concern.

Further, Union Cabinet has also approved the "Revival plan of BSNL and MTNL" by reducing employee costs, administrative allotment of spectrum for 4G services, debt restructuring by raising of sovereign guarantee bonds, monetization of assets and in principle approval for merger of BSNL and MTNL. Further, the Company has implemented the Voluntary Retirement Scheme in FY 2019-20 resulted into reduction in Employees Cost and also raised funds by issuing Bonds for ₹ 6,500 crore in FY 2020-21 in line with cabinet note.

Our opinion is not modified in respect of this matter.

#### 4. Emphasis of Matters

- (i) With reference to pending dispute with the Income Tax Department before the Hon'ble Courts regarding deduction claimed by the Holding Company u/s 80 IA of the Income Tax Act, 1961 we are unable to comment on the adequacy or otherwise of the provision and / or contingency reserve held by the Holding Company.
- (ii) Impact of accounting of claims and counter claims of MTNL with M/S M&N Publications Ltd., in a dispute over printing, publishing and supply of telephone directories for MTNL, will be given in the year when the ultimate collection / payment of the same becomes reasonably certain.
- (iii) Amount receivable from BSNL & Other Operators have been reflected as loans and other financial assets instead of bifurcating the same into trade receivables and other financial assets.
- (iv) The Amounts recoverable from Department of Telecommunication (DOT) in respect of settlement of General Provident Fund (GPF) of Combined Service Optees absorbed employees in MTNL and the matter has been under review with DOT and the full amount of GPF including interest thereon, claimed of the Holding Company in respect of which correspondence in going on between the Holding Company and DOT are continued to be shown as recoverable from DOT and payable to GPF.
- (v) The payables towards license fees and spectrum usage charges have been adjusted with excess pension payouts to Combined Pensioners Optees recoverable from DOT in respect of which matter is under consideration and correspondence in going on between the Holding Company and DOT.
- (vi) The License agreement between Holding Company and DOT does not have any guidance on change in method of calculation of Adjusted Gross Revenue (AGR) due to migration to Ind-AS from I-GAAP. Provisioning and payment of liability in respect of license fees and spectrum usage charges payable to DOT has been done on the basis of Ind-AS based financial statements. The amount of difference in computation of Adjusted Gross Revenue (AGR) is under consideration of DOT.
- (vii) In certain cases of freehold and leasehold land the Holding Company is having title deeds which are in the name of the Holding Company but the value of which are not lying in books of accounts of the Holding Company.



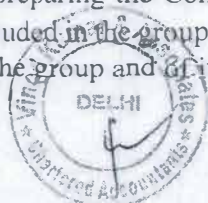
- (viii) Income arising on account of Revenue Sharing with BSNL in respect of lease circuits provided has not been recognized in terms of Memorandum of Understanding (MOU) between BSNL and MTNL. As per MOU, revenue and expenditure will be based on the price offered to the customers after applying the discount, if any at the time of acquiring the business. However, Revenue has been recognized on the basis of available information which is either based on the Holding Company Card Rates or Old rates of BSNL. In Some Cases, BSNL has given the information in respect of updated rates but the same has not been considered at the time of booking of revenue sharing with BSNL. In the absence of relevant updated records, we are not in a position to comment on the impact thereof on the consolidated financial results.
- (ix) Dues from the Operators being on account of revenue sharing agreements are not treated as debtors and consequently are not taken into account for making provision for doubtful debts.
- (x) In pursuance DoT letter No. F.No. 30-04/2019-PSU Affairs dt. 29 October, 2019 and decision of Board of Directors of MTNL through circular regulation on 4<sup>th</sup> November, 2019, the MTNL Voluntary Retirement Scheme has been introduced with effect from 4<sup>th</sup> November, 2019 under which 14,387 number of MTNL employees opted for VRS and the expenditure of ex-gratia on account of compensation to be borne by the DOT/Government of India through budgetary supports as per approval of cabinet. Balance amount payable to VRS opted employees as on 31 March 2021 is shown in the financial statements of the Holding Company as receivable from DOT and payable to VRS retirees, to reflect the actual position with reference to VRS scheme of 2019 of MTNL.

Our opinion is not modified in respect of aforesaid matters.

##### **5. Management Responsibilities for the Consolidated Financial Results**

The consolidated financial results has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the consolidated financial results that give a true and fair view of the net loss and other comprehensive loss and other financial information of the Group including its associate and joint venture in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial results, The respective Board of Directors of the companies included in the group, its joint venture and associate are responsible for assessing the Company's ability of the group and of its associate and joint venture to continue as a going concern basis of accounting.



disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group, its joint ventures and associates are also responsible for overseeing the financial reporting process of the group and of its associate and joint venture.

## **6. Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the entity has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events



or conditions may cause the Group and associate and joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding financial results/financial information of the entities within the group, its joint venture and associates to express an opinion on the consolidated financial results. We are responsible for direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are independent auditors. For other entities included in consolidated financial results, which have been audited by other auditors, such other auditors remains responsible for direction, supervision and performance of the audit carried out by them. We remains solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding company and such other entities included in the consolidated financial results of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

## 7. Other Matters

- a. The Consolidated financial results includes audited financial results and other financial information of 4 subsidiaries whose audited financial results and other financial information reflect total assets of Rs. 164.98 Crores and net assets of Rs. 134.19 Crores as at March 31, 2021, total revenue of Rs. 86.61 Crores and net cash flow amounting to Rs. (30.59) Crores for the year ended on that date, as considered in consolidated financial results. The consolidated financial results also includes the Groups share of net profit of Rs. 0.81 Crores for the year ended March 31, 2021 as considered in consolidated financial results, in respect of one jointly controlled entities, whose financial results/financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by management and our opinion on consolidated financial results, in so far as relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of other auditor.

Certain of these subsidiaries are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's





management has converted financial results/financial information of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles accepted in India. We have audited these conversion adjustments made by company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the company and audited by us.

Our opinion above on the consolidated financial results, and our report on the other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial results/financial information certified by the Management.

- b. The accompanying consolidated financial results also includes unaudited financial results /statements and other unaudited financial information in respect of 1 associate, whose financial results/statements reflect the Group's share of net loss of Rs. NIL and the Group's share of total comprehensive loss of Rs. NIL for the year ended March 31, 2021 , as considered in the Consolidated financial results whose financial results /statements and other financial information have not been audited by their auditors.

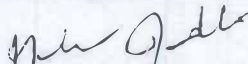
These unaudited financial statements/financial information/financial results have been approved and furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of associate, is based solely on such unaudited financial statements/financial information/financial results. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information/financial results are not material to the Group.

- c. The Consolidated financial results include the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

**For Vinod Kumar & Associates**

**Chartered Accountants**

**Firm Registration No.: 002304N**

  
**CA Mukesh Dadhich**



**Partner**

**Membership No.: 511741**

**UDIN:21511741 AAAAIE2523**

**For SPMG & Co.**

**Chartered Accountants**

**Firm Registration No.: 509249C**

**VINOD**  
**GUPTA**  
**CA Vinod Gupta**

Digitally signed by  
VINOD GUPTA  
Date: 2021.06.29  
16:40:59 +05'30'

**Partner**

**Membership No.: 090687**

**UDIN:21090687 AAAAGA 8847**

**Place: New Delhi**

**Date: 29<sup>th</sup> June, 2021**

# MAHANAGAR TELEPHONE NIGAM LIMITED

( A Govt. of India Enterprise)

Corporate & Registered Office : Mahanagar Doorsanchar Sadan, 5th Floor, 9, CGO Complex, Lodhi Road, New Delhi-110003

Website: www.mtnl.net.in, Phone Off: 011-24319020, Fax: 011-24324243

CIN No: L32101DL1986GOI023501

EXTRACT OF STANDALONE & CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND TWELVE MONTHS ENDED ON 31/03/2021

(Rs. in Crore)

	Particulars	STANDALONE				CONSOLIDATED			
		Three Month Ended		Twelve Month Ended		Three Month Ended		Twelve Month Ended	
		3 months ended 31/03/2021	Corresponding 3 months ended 31/03/2020 in the previous year	Current Year ended 31/03/2021	Previous year ended 31/03/2020	3 months ended 31/03/2021	Corresponding 3 months ended 31/03/2020 in the previous year	Current Year ended 31/03/2021	Previous year ended 31/03/2020
		AUDITED *	AUDITED *	AUDITED	AUDITED	AUDITED *	AUDITED *	AUDITED	AUDITED
1	Total Income from Operations	296.19	371.04	1,303.64	1,536.36	316.23	393.22	1,387.71	1,623.55
2	Net Profit/ (Loss) for the period before exceptional items & tax	(600.82)	(624.34)	(2,461.79)	(3,695.68)	(600.00)	(622.57)	(2,459.19)	(3,692.66)
3	Net Profit/ (Loss) for the period before Tax(after Exceptional items)	(600.82)	(624.34)	(2,461.79)	(3,695.68)	(600.00)	(622.57)	(2,459.19)	(3,692.66)
4	Net Profit/ (Loss) for the period after Tax	(600.82)	(624.34)	(2,461.79)	(3,695.68)	(602.07)	(623.63)	(2,461.26)	(3,693.72)
5	Total Comprehensive Income for the period (Comprising net profit/(loss) after tax and other comprehensive income after tax)	(593.27)	(739.66)	(2,454.24)	(3,811.00)	(599.75)	(742.33)	(2,462.41)	(3,814.17)
6	Paid up Equity Share Capital			630.00	630.00			630.00	630.00
7	Other Equity excluding revaluation reserves			(16,669.88)	(14,215.65)			(16,674.50)	(14,212.09)
8	Net Worth			(16,039.88)	(13,585.65)			(16,044.50)	(13,582.09)
9	Paid up Debt Capital/ Outstanding Debt			9,480.00	2,980.00			9,480.00	2,980.00
10	Debt Equity Ratio			(1.30)	(1.23)			(1.29)	(1.23)
11	Earnings Per Share (of Rs. 10 each) for continuing and discontinued operations- (not annualised)								
	1. Basic :	(9.54)	(9.91)	(39.08)	(58.66)	(9.56)	(9.90)	(39.07)	(58.63)
	2. Diluted :	(9.54)	(9.91)	(39.08)	(58.66)	(9.56)	(9.90)	(39.07)	(58.63)
12	Capital Redemption Reserve								
13	Debenture Redemption Reserve			45.27	45.27			45.27	45.27
14	Debt Service Coverage Ratio (DSCR)			(0.12)	(0.68)			(0.12)	(0.68)
15	Interest Service Coverage Ratio (ISCR)			(0.17)	(0.90)			(0.17)	(0.90)

**Note:**

1. The above is an extract of the detailed format of Annual Audited Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Audited Financial Results are available on the website of the company at www.mtnl.net.in and on the Stock Exchange websites at www.bseindia.com and www.nseindia.com.
2. The above results have been reviewed and recommended for adoption by the Audit Committee in their meeting held on 29.06.2021 and approved by the Board of Directors of the Company at their meeting held on the same date.
3. \* The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the respective financial year.
4. For the items referred in sub-clauses (a), (b), (d) and (e) of the Regulation 52(4) of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015, the pertinent disclosures have been made to the BSE & NSE and can be accessed on the Stock Exchange websites at www.bseindia.com and www.nseindia.com.
5. The company has prepared these financial results in accordance with the Companies (Indian Accounting Standards) Rules 2015 prescribed under Section 133 of the Companies Act, 2013.

Place: New Delhi  
Date: 29.06.2021

For and on behalf of the Board

  
(P.K. Puri)

Chairman & Managing Director  
DIN: 06619060