



# TAMILNADU TELECOMMUNICATIONS LIMITED

(A Joint venture of TCIL, a Govt. of India Enterprise & TIDCO, a Govt. of Tamilnadu Enterprise)

**OPTICAL FIBRE CABLE DIVISION**



Website: 1188-84, CMCDA Industrial Complex, Marudurai Nagar - 600 209. Phone: (044) 27462881, 27462804, 27461095. Telefax: +91-44-27464748

**TTL/CN/NSE/BSE/2018-19**

**19.11.2018**

<p>To The Manager, M/s National Stock Exchange Of India Limited, "Exchange Plaza", Bandra Kurla Complex, Bandara (East), MUMBAI - 400 081</p> <p>Scrp Code: TNELE</p>	<p>To The Manager, Bombay Stock Exchange Limited, Floor No. 25, PJ Towers, Dalal Street, MUMBAI - 400 001</p> <p>Scrp Code: 623419</p>
---	--

Dear Sir,

**SUB :** Outcome of the adjourned Board meeting held on 19-11-2018.

**Ref :** Our adjourned intimation letter No TTL/NSE/BSE 2018-19 dated 14.11.2018

With reference to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 160<sup>th</sup> Board Meeting of the Board of Directors of M/s. Tamilnadu Telecommunications Limited, schedule on 14.11.2018 (Wednesday) at 2.30 pm, in the Board room of M/s. Telecommunications Consultants India Limited, TCIL Bhawan, Greater Kailash - I, New Delhi - 110048, for Consider and approve the Unaudited financial Results for the Quarter and half ended 30.09.2018, could not be held for want of quorum. Hence, under Section 174 (4) of the Companies Act, 2013, the meeting stands automatically adjourned to the same venue in the next week. The adjournment intimation to the stock exchange was sent vide letter referred in (1) above.

Accordingly, in the adjourned 160<sup>th</sup> Board Meeting held today on 19.11.2018 (Monday) at 11.00 Am , in the Board room of M/s. Telecommunications Consultants India Limited, TCIL Bhawan, Greater Kailash - I, New Delhi - 110048, the Board has approved the Unaudited Financial results of the Company for the quarter and half year ended 30.09.2018.

Please find enclosed herewith the following for your information and records:

- 1) Duly authenticated Statement of the the Unaudited Financial results of the Company for the quarter and half year ended 30.09.2018.along with other relevant periods, as per the SEBI prescribed format.

Kindly acknowledge receipt.

Thanking you

Yours faithfully,

For TAMILNADU TELECOMMUNICATIONS LIMITED,

Sanjeev Kumar Kesari  
Managing Director  
DIN 08082217

19/11/18



Registered Office : No.16, 1<sup>st</sup> floor, Azil Mulk 3<sup>rd</sup> Street, Thousand Lights, Chennai - 600 006.

Phone : (044) 28292653

**TAMILNADU TELECOMMUNICATIONS LIMITED**

(A Joint Venture of TCIL, Govt of India Enterprise & TIDCO, Govt of Tamilnadu Enterprise)

Regd Office: No 16, 1st Floor, Aziz Mulk 3rd Street, Thousand Lights, Chennai - 600 006

CIN: L32201TN1988PLC015705, TEL: 044 28292653, email: [ttcosec@gmail.com](mailto:ttcosec@gmail.com), website: [www.ttcl.in](http://www.ttcl.in)

Statement of Unaudited Financial Results for the Three months and Six months ended September 30, 2018

Amount in Rupees in Hundreds

Sl.No	Particulars	Three Months ended			Six Months ended		Year ended
		30th Sep, 2018	30th Jun, 2018	30th Sep, 2017	30th Sep, 2018	30th Sep, 2017	31st Mar, 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income from Operations</b>						
	(a) Net Sales / Income from Operations	(0)	-	153,700	-	160,689	160,689
	(b) Other income	37	794	40	830	981	3,649
	<b>Total Income from Operations (Net)</b>	<b>37</b>	<b>794</b>	<b>153,740</b>	<b>830</b>	<b>161,670</b>	<b>164,338</b>
2	<b>Expenses</b>						
	(a) Cost of materials consumed	-	2,801	64,970	2,801	107,198	103,843
	(b) Purchase of stock-in-trade	-	-	26,948	-	7,643	7,968
	(c) Changes in inventories of finished goods, work-in-progress and stock in trade	-	-	-	-	777	777
	(d) Employee benefits expense	124,034	126,476	124,492	250,510	250,970	513,564
	(e) Finance costs	223,030	214,336	211,438	437,366	412,616	844,195
	(f) Depreciation and amortisation expense	7,503	7,426	7,484	14,928	15,361	30,255
	(g) Other expenses	25,650	31,067	36,471	56,717	63,510	102,315
	<b>Total expenses</b>	<b>380,217</b>	<b>382,106</b>	<b>491,803</b>	<b>762,324</b>	<b>858,075</b>	<b>1,802,917</b>
3	<b>Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>(380,180)</b>	<b>(381,312)</b>	<b>(338,063)</b>	<b>(761,494)</b>	<b>(696,405)</b>	<b>(1,438,379)</b>
4	Other comprehensive income	-	-	-	-	-	20,550
5	<b>Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>(380,180)</b>	<b>(381,312)</b>	<b>(338,063)</b>	<b>(761,494)</b>	<b>(696,405)</b>	<b>(1,417,829)</b>
7	<b>Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>(380,180)</b>	<b>(381,312)</b>	<b>(338,063)</b>	<b>(761,494)</b>	<b>(696,405)</b>	<b>(1,417,829)</b>
8	Exceptional items	-	-	2,155	-	2,155	2,155
9	<b>Profit/(Loss) from ordinary activities before tax (7-8)</b>	<b>(380,180)</b>	<b>(381,312)</b>	<b>(340,218)</b>	<b>(761,494)</b>	<b>(698,560)</b>	<b>(1,419,985)</b>
10	Tax expense	-	-	-	-	-	-
11	<b>Net profit / (Loss) from ordinary activities after tax (9-10)</b>	<b>(380,180)</b>	<b>(381,312)</b>	<b>(340,218)</b>	<b>(761,494)</b>	<b>(698,560)</b>	<b>(1,419,985)</b>
12	Extraordinary items (net of tax expense Rs. Nil)	-	-	-	-	-	-
13	<b>Net Profit / (Loss) for the period (11+12)</b>	<b>(380,180)</b>	<b>(381,312)</b>	<b>(340,218)</b>	<b>(761,494)</b>	<b>(698,560)</b>	<b>(1,419,985)</b>
14	Paid-up equity share capital (Face Value Rs. 10 each)	4,567,620	4,567,620	4,567,620	4,567,620	4,567,620	4,567,620
15	Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year	(13,957,892)	(13,577,712)	(12,470,424)	(13,957,893)	(12,470,425)	(13,196,400)
16	<b>i. Earnings per share (before extraordinary items) ( in Rupees)</b>						
	(a) Basic	(0.83)	(0.83)	(0.74)	(1.67)	(1.53)	(3.15)
	(b) Diluted	(0.83)	(0.83)	(0.74)	(1.67)	(1.53)	(3.15)
	<b>ii. Earnings per share (after extraordinary items) ( in Rupees)</b>						
	(a) Basic	(0.83)	(0.83)	(0.74)	(1.67)	(1.53)	(3.15)
	(b) Diluted	(0.83)	(0.83)	(0.74)	(1.67)	(1.53)	(3.15)



**Notes:**

- 1 The Ind AS compliant interim unaudited stand alone financial statements for the corresponding half year ended 30/09/2017 have been prepared in accordance with the regulations and measurement principles laid down in Ind AS-34- "Interim Financial Reporting" prescribed as per section 133 of the Companies Act 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. The Ind AS compliant interim unaudited stand alone financial statements for the corresponding quarter have been stated in terms of SEBI circular no. CIR/CFD/FAC/62/2016 dated 05/07/2016. The management have exercised necessary due diligence and ensured that the aforesaid statements provide a true and fair view of its affairs in accordance with the Companies (Indian Accounting Standards) Rules 2015.
- 2 The above results have been reviewed and approved by the Board of Directors at its meeting held on 19th November, 2018
- 3 The accumulated losses of the Company, Rs.1,39,57,89,275/- as of 30<sup>th</sup> September 2018 had exceeded the net worth of the Company. The net worth of the Company as of 30<sup>th</sup> September 2018 is negative at Rs.93,90,27,275/-
- 4 Lack of executable orders and dull phase of Optical Fiber Cable (OFC) market from 2010-11 onwards is the main reason for poor performance since then. The requirement of OFC in the country is huge; however, the delay is due to various procedural issues in execution of big projects by Govt. clients. As such the Company is hopeful of improving its order book position. Considering this and anticipating financial support from its Holding Company TCIL, Govt of India's Department of Telecommunications etc, the accounts have been prepared on "Going Concern basis" for the present.
- 5 Same accounting policies as that of last financial year are followed in the current quarter and half year ended.
- 6 Provision for Employee Benefits has been made on estimated basis.
- 7 During the year the Company has not accounted / taken the credit / charge for the deferred tax assets / liabilities. The excess of timing difference over the deferred tax liability has been ignored for want of reasonable certainty of the Company making taxable income in the near future. Similarly, for the same reason, certain other provisions made in the earlier years have been ignored for creation of deferred tax asset. The accumulated losses and carried forward depreciation under the tax laws have been ignored for creating the deferred tax asset considering that there is no reasonable certainty of the Company making taxable income in the future.
- 8 No provision is made for one long pending debtor Rs. 3.40 crores, in view of the arbitration proceeding completed against the Purchaser for which Award is received in favour of the Company but has since been challenged by the Purchaser in the Court. The Court has remitted back to the Arbitrator for speaking orders which has also been awarded in favour of the Company. The Purchaser has again appealed in the Court.
- 9 No provision is made for Rs.0.13 crores, due from RailTel which was under Arbitration. In the Arbitration award, six claims were in favour of the Company and one against the Company. Company has appealed against the award in Delhi High court and the proceedings are in progress.
- 10 Depreciation has been provided as per the requirement of Part C of Schedule II to the Companies Act, 2013.
- 11 Previous period's amounts are regrouped and rearranged to conform to the current period's classification.
- 12 The financial results have been reviewed by the Statutory Auditors as required under Regulation 33 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and has qualified their limited review report on the unaudited financial results for the quarter ended 30th September 2018 in respect of the following matters:
  - a. The company has not carried out actuarial valuation as of 30th September, 2018, relating to Gratuity and leave encashment benefits in terms of Ind AS 19 impacting total comprehensive income attributable to equity shareholders.
  - b. The Company has not recognized the following financial liability/asset at fair value in terms of Ind AS 109.
    - i. Amount due to Fujikura Ltd amounting to Rs. 1,89,65,590/- and
    - ii. Trade receivables (considered good) amounting to Rs.7,16,45,836/-As the Company in respect of these liabilities/assets would be making payments/receiving at book value and not at fair value, the Management has decided to continue the respective balances at their book values.
- 13 The Auditors have drawn attention to the following matters in their Limited Review report for the quarter ended 30th September 2018
  - a. S.No. 4 to Notes to Unaudited Financial Results for the Quarter ended 30<sup>th</sup> September, 2018. The Company's accumulated losses of Rs. 1,39,57,89,275/- has eroded the Net Worth of the Company, indicating the existence of material uncertainty that may cast a doubt about the Company's ability to continue as a Going Concern. The Company has incurred a loss of Rs.3,80,18,034/- for Quarter under review. Based on the mitigating factors discussed in the said note, the Management believes that the Going Concern assumption is appropriate.
  - b. The Company has not restated the amounts due to its holding Company viz., Telecommunications Consultants India Limited amounting to Rs. 1,02,14,43,371/- at Fair value, but retained the same at its book value.
- 14 The Company's business activity falls within a single primary business segment viz., telephone cables.



## 15 Statement of Assets and Liabilities:

	Rs. (In hundreds)	
	As at 30th September 2018	As at 31st March, 2018
<b>ASSETS</b>		
(1) Non-current assets		
(a) Property, plant and Equipment	907,166	921,876
(b) Other non-current assets	6,895	6,895
<b>Total Non-current Assets</b>	<b>914,061</b>	<b>928,771</b>
(2) Current assets		
(a) Inventories	278,690	281,492
(b) Financial Assets		
(i) Trade receivables	716,458	743,531
(ii) Cash and cash equivalents	51,146	92,946
(iii) Short term Loans	585	185
(c) Other current assets	125,599	127,454
<b>Total Current Assets</b>	<b>1,173,478</b>	<b>1,245,608</b>
<b>Total Assets</b>	<b>2,087,539</b>	<b>2,174,379</b>
<b>EQUITY</b>		
(1) EQUITY		
(a) Equity Share capital	4,567,620	4,567,620
(b) Other Equity	(13,957,893)	(13,196,400)
<b>Total Equity</b>	<b>(9,390,273)</b>	<b>(8,628,780)</b>
<b>LIABILITIES</b>		
(1) Non-current Liabilities		
(a) Long Term Borrowings	1,165,730	1,165,730
(b) Long Term Provisions	281,240	264,740
<b>Total Non-current Liabilities</b>	<b>1,446,970</b>	<b>1,430,470</b>
(2) Current Liabilities		
(a) Financial Liabilities		
(i) Short term Borrowings	1,324,256	1,242,766
(ii) Trade Payables	7,567,923	7,218,629
(iii) Other Financial liabilities	203,515	203,515
(b) Other current liabilities	591,505	505,004
(c) Short Term Provisions	343,643	202,774
<b>Total Current Liabilities</b>	<b>10,030,842</b>	<b>9,372,689</b>
<b>Total Equity and Liabilities</b>	<b>2,087,539</b>	<b>2,174,379</b>

For and on behalf of Board of Directors

Managing Director

Tamilnadu Telecommunications Limited

Place Chennai

Date 19.11.2018

