



# V. NARAYANAN & CO

Chartered Accountants

**Partners**

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## INDEPENDENT AUDITOR'S REPORT

To  
**The Board of Directors,  
Tamilnadu Telecommunications Limited.,  
Chennai.**

### Report on the Standalone Financial Statements

#### Adverse Opinion

We have audited the accompanying standalone financial statements of **Tamilnadu Telecommunications Limited**, (the "Company") which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

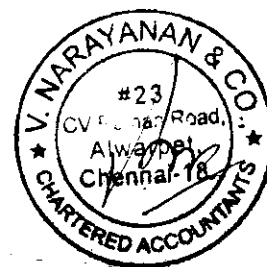
In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matter discussed in the Basis for Adverse Opinion section of our report, the aforesaid standalone financial statements do not give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, **the Loss** and total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Adverse Opinion

- (a) We draw attention to Note 1(a) & 31 which describes that the Company's financial statements have been prepared using the going concern assumption of accounting. However, the Company's accumulated losses of Rs.2,05,42,225 Hundreds (including other Comprehensive Income) (Previous year Rs.1,93,59,324 Hundreds) has eroded the Net Worth of the Company's, 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 not operated its factory since 2017 and *NO* sales effected for more than five years. It is also pertinent to note that power connections in the factory are disabled. Further, as represented by the company, the machinery would involve major overhauling cost to resume operations and the company is also unable to obtain support for supply of major raw material required for manufacture from its supplier. Also, the company has not bagged any new orders to substantiate the going concern assumption.

*Other Offices :*

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Hence, considering the cumulative effect of the factors detailed above, we conclude that the Going Concern assumption of the management in preparation of financial statements is inappropriate.

- (b) The Company has not recognized the following financial liability/asset at fair value in terms of Ind AS 109 (including comparative figures as on 31 March 2022) and Impact of the same on the financial statements is not ascertainable:
- i. Amounts due to M/s.Fujikura Limited amounting to Rs.2,06,756 hundreds (Previous Year- Rs.2.00,306) (In hundreds) (Note No 16)
  - ii. Trade Receivables (considered good) amounting to Rs.6,09,541 hundreds (Previous Year- Rs. 7,06,655) (In hundreds) (Note No 5)
  - iii. Unsecured Trade payables amounting to Rs.3,42,963 hundreds (Previous Year-Rs.3,37,049) (In hundreds) (Note No 15).

### **Emphasis of Matter**

- 1) We draw attention to Note No. 48 of the explanatory notes to the financial statements which states the reason for non-recognition of amounts due to the holding Company viz., Telecommunications Consultants India Limited amounting to Rs. 1,46,41,843 hundreds (Previous Year – Rs. 1,35,81,291 hundreds) at Fair Value in accordance with Ind AS 109. Our opinion is not modified in respect of this matter.
- 2) Attention is invited to Note Nos. 5,7,9,15,16 of the notes to financial statements, where the balances carried in the Trade payables, Trade receivables, Advances & deposits payable / recoverable are subject to confirmation from all parties (other than Telecommunications Consultants India Limited) as stated in Note No. 29. Our opinion is not modified in this respect.
- 3) Attention is invited to Note No. 45 of the explanatory notes to the financial statements which states that the Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Our opinion is not modified in this respect.

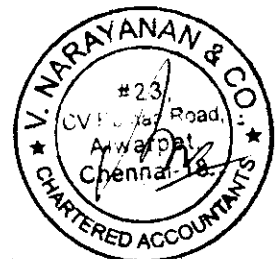
### **Key Audit Matters:**

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of financial statements of the current period. Those matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matters described in the Basis for Adverse opinion section, we have determined that there are no other key audit matters to communicate in our report.

### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Director's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is 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 Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

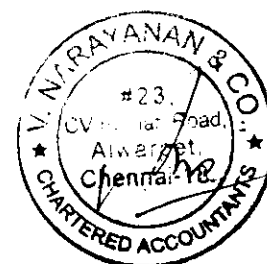
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 Standards of Auditing 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 management.
- Conclude on the appropriateness of management's 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 statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

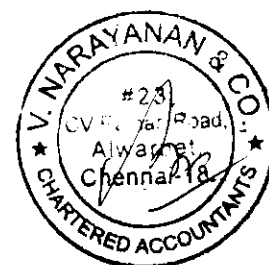
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the 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 safe guards.

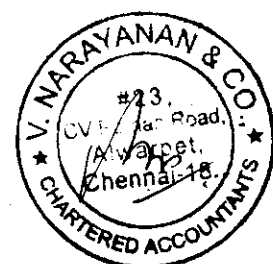
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.




- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) Our observations in “**The Basis for Adverse**” Paragraph here-in-above regarding the assumption of Going Concern, in our Opinion, may have adverse effect on the functioning of the Company.
- f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements – Refer Note No. 30,38,39,42 & 44 to the financial statements;
  - ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts.
  - iii. According to the information and explanations given to us and based on our examination of the records, there were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note No.51.16(a) to the financial statement, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company, or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the Note No.51.16(b) to the financial statement, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under clause (iv) (a) and (iv) (b) contain any material misstatement.

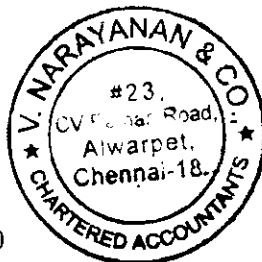


- v. The Company has neither declared nor paid any dividend during the year.
3. We draw attention to the Note No 47 to the financial statements, explaining the reasons for non-applicability of section 197 of the Companies Act, 2013. Accordingly, reporting under 197(16) of the section is not applicable.
4. Report on the Directions issued by the Comptroller and Auditor General of India, under Section 143(5) of the Companies Act, 2013 for conducting audit of accounts for the year 2022-23 is given below: -

1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company maintains Tally ERP as the accounting program for maintenance of books of accounts. Tally being the only IT system used by the Company, not all transactions (including payroll processing, stock procurement, stock dispatch etc..) are computerized thereby resulting in involvement of human intervention. There is no financial implication.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the Company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	In the current period under review (FY 2022-23), there is no restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the Company, even though the Company is not regular in repayment of its dues (Principal and Interest) with respect to the borrowings from M/s Telecommunications Consultants India Limited being one of the promoters of Company.
3	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	The Company did not receive any funds for specific schemes from Central/State agencies during the (FY 2022-23).

**For M/s. V. Narayanan & Co.**  
Chartered Accountants  
Firm Registration No 002398S

  
**S.U. Sridharan**  
Partner  
ICAI Membership No: 019613  
UDIN: 23019613BGXMIQ9820

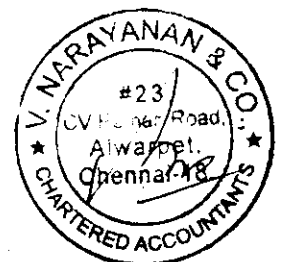


Place: Chennai  
Date: 30-05-2023

**Annexure A referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report of even date to the members of Tamilnadu Telecommunication Limited on the financial statements for the year ended 31 March 2023**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) In respect to Property, Plant and Equipment:
- (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company does not own Intangible assets and the maintenance of records of the same is not required.
- (b) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has a regular programme of physical verification of its property, plant and equipment are verified in annual manner. In accordance with this programme, all the property, plant and equipment were during the year. In our opinion, this periodical verification is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the Company. However, Immovable property of 7.36 acres situated at maraimalai nagar, has been allotted to the company by the Government of Tamilnadu, by issuing a land delivery receipt note which constitutes as property held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies

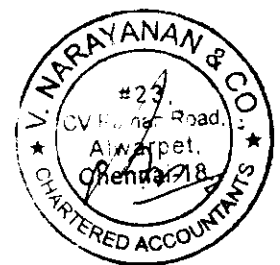


**Annexure A referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report of even date to the members of Tamilnadu Telecommunications Limited on the financial statements for the year ended 31 March 2023**

were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, clause (iii)(a), clause (iii)(b), clause (iii)(c), clause (iii)(d), clause (iii)(e) & clause (iii)(f) of the Order is not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/ or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- (vii)(a) According to the information and explanations given to us, undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Provident Fund, Employees' State Insurance, TDS and Property Tax were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

Following is the summary of statutory dues as at the last day of the financial year outstanding for a period of more than six months from the date they become payable.



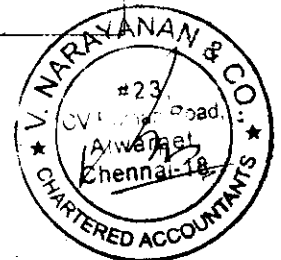


**Annexure A referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report of even date to the members of Tamilnadu Telecommunications Limited on the financial statements for the year ended 31 March 2023**

Name of the Statute	Nature of the Dues	Amount (Rs. In Hundreds)	Period
Employees' State Insurance Act	Employer and Employee Contribution	108	July'18 to Sep' 2019
The Employees' Provident Funds and Miscellaneous Provisions Act	Employer and Employee Contribution	77,217	July'18 to Sep' 2022
The Employees' Provident Funds and Miscellaneous Provisions Act	Voluntary Contribution of Employee	8,425	July'18 to Sep' 2019
Income Tax Act	TDS Payable-Interest Charges	1,59,418	Apr'18 to Sep' 2022
Municipal Tax	Property Tax	67,221	Since 2009-10 to 2019-20 (Apr'19 to Sep'22')
Goods and Service Tax	IGST RCM Output	185	Mar'19 to Apr'19
Professional Tax	Professional Tax	1,254	Mar'19 to Sep'22

b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Statute	Nature of Dues	Amount (Rs. In Hundreds)	Forum where dispute is pending	Remarks
Sales Tax	Additional Sales Tax (FY 2000-2001 & 2001-2002)	1,86,088	High Court of Madras	Recognized as Contingent Liability in Balance Sheet
Sales Tax	Non-Submission of C-Forms (AY 2001-02, 02-03 and 03-04)	22,950	Commercial Sales Tax Department	Recognized as Contingent Liability in Balance Sheet

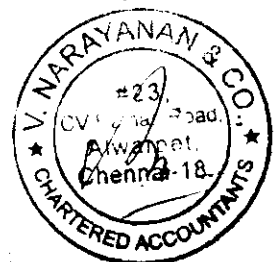


**Annexure A referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report of even date to the members of Tamilnadu Telecommunications Limited on the financial statements for the year ended 31 March 2023**

Duty of Customs	Difference in Classification of imports (FY 06-07)	1,02,067	Commissioner of Customs	Recognized as Contingent Liability in Balance Sheet
Income Tax	Default in Traces Website	29,052	Income Tax Department	Recognized as Contingent Liability in Balance Sheet
Income Tax	Outstanding Demand for AY 2009-10 Tax demand: 557 Interest accrued: 2421	2,978	Income Tax Department	Recognized as Contingent Liability in Balance Sheet
Sales Tax	VAT on disposal of Movable Assets (FY 2011-12 to 2015-16)	257	Assistant Commissioner (CT)	Provision created in books
Sales Tax	Tax on cross verification of buyer and seller (FY 2013-14)	3,431	Assistant Commissioner (CT)	Provision created in books
Sales Tax	Tax on Non Submission of C Forms (FY 2012-13 to FY 2015-16)	14,354	Assistant Commissioner (CT)	Provision created in books
Sales Tax	ITC Reversal for CST sales without C Form (FY 2012- 13 to FY 2014-15)	27,793	Assistant Commissioner (CT)	Provision created in books

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

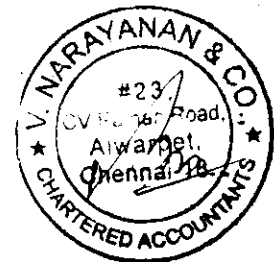
(ix)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company have loans or borrowings from Telecommunications Consultants India Limited during the year. Due to severe cash crunch and non-operation of business during the past years, the company is being supported by its holding company, Telecommunications Consultants India Limited. Following is the disclosure of amount outstanding and the break-up of same:



**Annexure A referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report of even date to the members of Tamilnadu Telecommunications Limited on the financial statements for the year ended 31 March 2023**

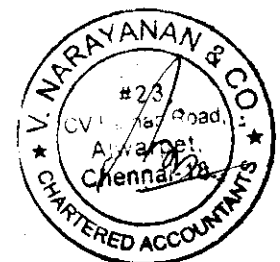
<b>Nature of borrowing including debt securities</b>	<b>Name of lender</b>	<b>Amount not paid on due date (Rs. In Hundreds)</b>	<b>Whether principal or interest</b>	<b>No. of days delay or unpaid</b>	<b>Remarks, if any</b>
Material Loan, Bridge Loan & Working Capital	Telecommunications Consultants India Private Limited	1,35,81,291	Principal &	>365 Days	
		10,60,552	Interest.	<365 Days	

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us by the management, no funds raised have been raised on short term basis. Accordingly, clause (ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause (ix)(e) of the Order is not applicable.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.



**Annexure A referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report of even date to the members of Tamilnadu Telecommunications Limited on the financial statements for the year ended 31 March 2023**


- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based on our audit procedures and according to the information and explanation given to us, we report that, the company has not received any whistle-blower complaints during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards. (Refer Note No.46)
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a) of the Order are not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year without a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses of Rs. 11,60,013 (Rs. In Hundreds) in the current year and Rs. 10,09,993 (Rs. In Hundreds) in the immediately preceding financial year.

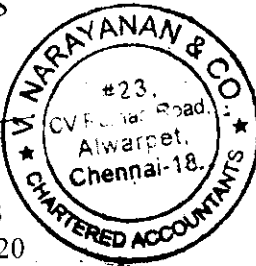


**Annexure A referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report of even date to the members of Tamilnadu Telecommunications Limited on the financial statements for the year ended 31 March 2023**

- (xviii) We have been appointed as statutory auditors by the Comptroller and Auditor General of India for the year under consideration in the place of the previous statutory auditors. We have taken into consideration the issues, objections or concerns raised by the outgoing auditors;
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The Company is not a holding company and there are no one or more subsidiaries. Hence, the preparation of consolidated financial statements as per section 129(3) of Companies Act, 2013 and according reporting under clause (xxi) of the Order is not applicable to the Company.

**For M/s. V. Narayanan & Co.**  
Chartered Accountants  
Firm Registration No 002398S

  
**S.U.Sridharan**  
Partner  
ICAI Membership No: 019613  
UDIN: 23019613BGXMIQ9820



Place: Chennai  
Date: 30-05-2023

## **Annexure “B” to the Independent Auditor’s Report**

**(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Tamilnadu Telecommunications Limited of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Tamilnadu Telecommunications Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

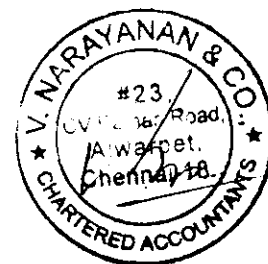
#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- I. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- II. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- III. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

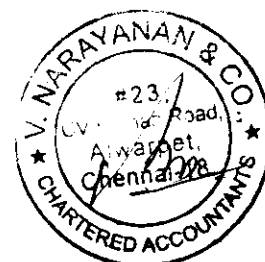
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Basis for Adverse Opinion:**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31 March 2023:

- 1) The management's assumption as Going concern is Inappropriate considering the existence of material uncertainty in relation to the assumption of Going Concern as described in Basis for Adverse Opinion paragraph of the Independent Auditor's Report.
- 2) Non-recognition of financial asset / liability at fair value as per Ind AS 109 as described in Basis for Adverse Opinion paragraph of the Independent Auditor's Report.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

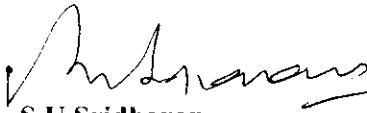


In our opinion, because of the effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company did not have adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were not operating effectively as at 31st March 2023, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

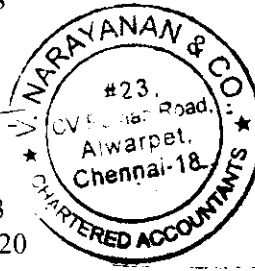
### **Adverse Opinion**

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company as at and for the year ended 31st March 2023, and these material weaknesses have also affected our opinion on the financial statements of the Company and we have issued a Adverse opinion.

**For M/s. V. Narayanan & Co.**  
Chartered Accountants  
Firm Registration No 002398S



**S.U.Sridharan**  
Partner  
ICAI Membership No: 019613  
UDIN: 23019613BGXMIQ9820



Place: Chennai  
Date: 30-05-2023



## NOTE NO. 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### I Significant Accounting Policies

#### a. Basis of Preparation of Financial Statements

Accounts are drawn up on the principle of going concern concept with revenues recognized and expenses accounted on accrual basis and are prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of Companies Act 2013 read with relevant rules of the Companies (Indian Accounting Standards) Rules with effect from 1st April 2016. Figures are rounded off to nearest rupees in hundreds. Refer Note 31 to the financial statements.

#### b. Use of estimates:

Preparation of financial statements in conformity with the recognition and the measurement principle of Ind AS requires the management of the company to make estimates and assumptions that affects the reported balances of assets and liabilities, disclosure relating to contingent liabilities as on the date of the Financial Statements and the reported amount of incomes and expenses for the reporting period.

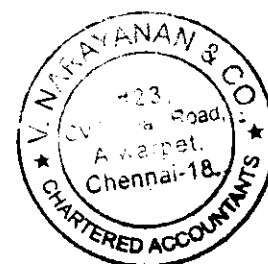
Estimates and the underlying assumption are reviewed on ongoing basis. The revision to the accounting estimates if material is recognized in the period in which the estimates are revised.

### 2 Property, Plant and Equipment:

- a. Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.
- b. The costs directly attributable including borrowing cost on qualifying asset are capitalized when the Property, Plant and Equipment are ready for use, as intended by the management.
- c. Subsequent expenditure relating to Property, Plant and Equipment including major inspection costs, spare parts, standby and servicing equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company, the cost of the item can be measured reliably and the company expects to use them during more than period.
- d. Depreciation is calculated on straight line basis over estimated useful life as prescribed in Schedule II of the Companies Act 2013, up-to the cost of the asset (net of residual value - which is considered at 5 % of cost of assets).
- e. Plant and Equipment costing individually Rs. 5,000 and below are fully depreciated in the year of purchase.
- f. Where the cost of an item of Property, Plant and Equipment are significant and have different useful lives, they are treated as separate components and depreciated over their estimated useful lives.
- g. Depreciation on Property, Plant and Equipment, added or deleted during the reporting period is provided from or till the date of such addition or deletion.
- h. The estimated useful lives, residual values and depreciation / amortization method are reviewed at the end of each reporting period with the effect of changes in estimates accounted for on a prospective basis.
- i. The cost of assets not put to use, before the year end are disclosed under Capital Work-in-Progress.

### 3 Impairment of Assets

As at the end of each Balance Sheet date, the carrying amount of assets is assessed as to whether there is any indication of impairment. If the estimated recoverable amount is found less than its carrying amount, the impairment loss is recognized and assets are written down to their recoverable amount.



#### 4 Financial Assets and Liabilities

The Company recognizes all Financial Assets and Liabilities at Fair Value at inception and subsequent measurement is done at amortized cost. Fair Value adjustment is done only where material.

#### 5 Inventories

- a. Inventories are valued at lower of cost and net realizable value. The cost of raw material excluding goods in transit, components and stores are assigned by using the weighted average cost formula. Goods in transit are valued at cost to date. In the case of finished goods, stock-in-trade and work-in-progress, cost includes costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.
- b. Saleable / Disposable scrap is valued at net realizable value.
- c. Stores, Tools and Spares/Components are valued at cost.

#### 6 Foreign Currency Transactions:

- a. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.
- b. Assets and Liabilities are re-instated at the year-end at the rate prevalent at each annual Balance Sheet date. The income / Expenditure on account of this are charged to Statement of Profit and Loss.
- c. Any Incomes or Expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

#### 7 Revenue Recognition

- a. **Sales:**  
Sale is recognized on dispatch of goods to customers upon inspection and clearance by the clients. Export sales on FOB basis are recognized upon despatch and that of CIF basis upon acceptance of goods by the clients.
- b. **Other Income and Expenses:**  
On accrual basis.

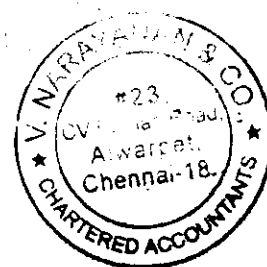
#### 8 Employee Benefits:

##### i) Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service.

##### ii) Post -Employment benefit Plans:

- a) Upto the year 2008-09 the Company has set up separate Trust for Provident Fund and has been contributing towards the same. Contribution towards pension fund is made to PF authorities on monthly basis. From 01.04.2009 onwards based on the order of the Provident Fund Commissioner-I, withdrawing the relaxation under Para 79 of the Employees' Provident Fund Scheme 1952, the Provident Fund contributions are remitted to the PF authorities.
- b) Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.



- c) For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each annual balance sheet date. All re-measurement items occurring during the year are recognized in the Other Comprehensive Income (OCI). Re-measurements arising from defined benefit plans comprise actuarial gains and losses on benefit obligations and the return on plan assets in excess of what has been estimated. The company recognises these items of re-measurements immediately in other comprehensive income and all the other expenses related to defined benefit plans in employee benefit expenses in profit and loss account.
- d) The retirement benefit obligation recognized in the annual balance sheet represents the present value of the defined obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme. For the employees who had already left like VSS optees etc., the gratuity and leave encashment is provided on actual basis.

#### **9 Provision for Warranty Period Expenses**

Provision is made for warranty period expenses at a percentage on net turnover of the year, arrived at based on actual warranty period expenses incurred compared with the average net turnover of the previous three financial years.

#### **10 Liquidated Damages**

Provision for liquidated damages is recognised for the period of delay between the due date of supply of the goods as per delivery schedule and its expected date of delivery of the said goods. In respect of repair/replacement, provision for liquidated damages is recognised at the time of revenue recognition.

#### **11 Borrowing Costs**

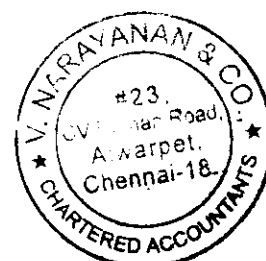
Borrowing costs which are not attributable to be acquisition and construction of the qualifying asset are being recognized as an expense in the period in which they are incurred.

#### **12 Accounting for Leases**

The lease agreement entered with the lessors are for monthly rental hiring basis of office accommodation for a period of eleven months and with subsequent renewal clause on mutual agreement. The lease agreement also can be cancelled by either party on giving notice at any time within a prescribed time limit. The lease does not transfer all the risks and rewards incidental to ownership. There is no provision to acquire title to the asset upon fulfilment of the agreed conditions. The monthly lease rents are being recognized as an expense in the period in which they are incurred.

#### **13 Taxes on Income**

- a) Taxation comprises of current tax and deferred tax charge or credit
- b) Current tax is the amount of tax payable on the taxable Income for the year as determined in accordance with the applicable tax rates and provisions of Income Tax Act, 1961.
- c) The deferred tax on timing differences between book profit and taxable profit for the year is accounted for applying the tax rates and laws that have been enacted or substantively enacted as on the annual balance sheet date. Deferred tax assets arising from timing difference in excess of deferred tax liability are recognized to the extent there is a reasonable certainty that such assets can be realized in future.



#### 14 Claims by the Company

Claims on purchasers/suppliers towards differential in awarded rate during the scheduled delivery period are accounted when claims are preferred and carried forward till such time the company has a legal right to recover such amounts. Such claims are reviewed at annual balance sheet date.

#### 15 Provisions and Contingent Liabilities

A provision is recognised, when the Company has the present obligation as result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which reliable estimate can be made.

Where no reliable estimate can be made or when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources, disclosure is made as contingent liability.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### 16 Onerous Contract

The excess of unavoidable costs of meeting the obligations on onerous contracts over economic benefits expected to be received is charged to the Statement of Profit and Loss in the year in which the contract become onerous and is recognized and measured as loss.



**TAMILNADU TELECOMMUNICATIONS LIMITED**

No.16,1 st Floor, Aziz Mulk, 3rd Street, Thousand Lights, Chennai 600 006  
CIN:L32201TN1988PLC015705, Tel: 044 28292653, Email:ttlosec@gmail.com, Website: www.ttlcofc.in

**BALANCE SHEET**

(Indian Rupees in Hundreds)

S.No	Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	2	7,71,834	7,97,674
	(b) Financial assets			
	(i) Other financial assets	3	300	1,835
	<b>Sub Total - A</b>		<b>7,72,134</b>	<b>7,99,509</b>
(2)	<b>Current assets</b>			
	(a) Inventories	4	1,07,822	1,07,822
	(b) Financial Assets			
	(i) Trade receivables	5	6,09,541	7,06,655
	(ii) Cash and cash equivalents	6(a)	27,076	2,706
	(iii) Bank balances other than (ii) above	6(b)	41,957	40,164
	(iv) Other Financial Assets	7	70,113	65,613
	(c) Current tax assets	8	540	383
	(d) Other current assets	9	1,69,027	1,54,669
	<b>Sub Total - B</b>		<b>10,26,077</b>	<b>10,78,012</b>
	<b>Total assets (A+B)</b>		<b>17,98,212</b>	<b>18,77,521</b>
	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>EQUITY</b>			
	(a) Equity Share capital	10	45,67,620	45,67,620
	(b) Other Equity	11	(1,94,64,114)	(1,82,81,213)
	<b>Sub Total - A</b>		<b>(1,48,96,494)</b>	<b>(1,37,13,593)</b>
(1)	<b>LIABILITIES</b>			
	<b>Non-current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Long term Borrowings	12	11,65,730	11,65,730
	(b) Long Term Provisions	13	5,27,436	5,10,806
	<b>Sub Total - B</b>		<b>16,93,166</b>	<b>16,76,536</b>
(2)	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Short term Borrowings	14	20,10,685	18,71,417
	(ii) Trade Payables	15	55,68,817	55,62,903
	(iii) Other Financial liabilities	16	64,65,956	55,33,222
	(b) Other current liabilities	17	8,88,264	8,84,441
	(c) Short Term Provisions	18	67,817	62,595
	<b>Sub Total - C</b>		<b>1,50,01,539</b>	<b>1,39,14,578</b>
	<b>Total Equity and Liabilities - (A+B+C)</b>		<b>17,98,212</b>	<b>18,77,521</b>

Statement of Significant Accounting Policies 1

Notes on Financial Statement and Other explanatory notes 2-54

As per our report of even date attached

V Narayanan & Co

Chartered Accountants

Firm Regn No. 0023085

S U Sridharan

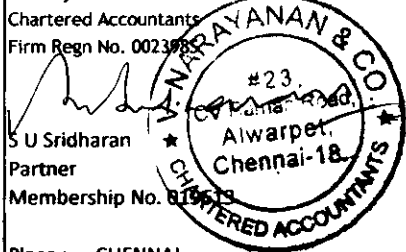
Partner

Membership No. 813673

Place : CHENNAI

Date : 30th May 2023

For and on behalf of Board of Directors



*J. Ramesh Kannan*  
J. Ramesh Kannan  
Managing Director & CFO

*D. Porpathaswaran*  
D. Porpathaswaran  
Chairman

*Swarnil Gupta*  
Swarnil Gupta  
Company Secretary

**TAMILNADU TELECOMMUNICATIONS LIMITED**

No.16,1st Floor, Aziz Mulk, 3rd Street, Thousand Lights, Chennai 600 006

CIN:L32201TN1988PLC015705, Tel: 044 28292653, Email:ttlcosec@gmail.com, Website: www.ttlofc.in

**STATEMENT OF PROFIT AND LOSS**

(Indian Rupees in Hundreds)

S.no	Particulars	Note No	For the year ended 31st March 2023	For the year ended 31st March 2022
I	Revenue from operations		-	
II	Other income	19	18,318	2,152
III	<b>Total Income (I+II)</b>		<b>18,318</b>	<b>2,152</b>
IV	<b>Expenses:</b>			
	Cost of materials consumed	20	-	
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	-	-
	Employee benefits expense	22	1,03,204	1,57,279
	Finance Costs	23	9,21,314	8,22,051
	Depreciation and amortisation expense	24	25,839	28,190
	Other expenses	25	1,64,595	36,551
	<b>Total expenses (IV)</b>		<b>12,14,952</b>	<b>10,44,071</b>
V	Profit/(loss) before exceptional items and tax (III-IV)		(11,96,634)	(10,41,919)
VI	Exceptional items	26	-	2,449
VII	<b>Profit/(loss) before tax (V-VI)</b>		<b>(11,96,634)</b>	<b>(10,44,368)</b>
VIII	Tax expense:			
	(1) Current tax			
	(2) Deferred tax- Refer Note 34			
IX	<b>Profit/(Loss) for the year (VII-VIII)</b>		<b>(11,96,634)</b>	<b>(10,44,368)</b>
X	<b>Other Comprehensive Income</b>			
	A (i) Items that will not be reclassified to profit or loss	27	13,734	(5,179)
XI	<b>Total Comprehensive Income for the Year (IX+X)</b>		<b>(11,82,900)</b>	<b>(10,49,547)</b>
XII	Earnings per equity share			
	(1) Basic		(2.59)	(2.30)
	(2) Diluted		(2.59)	(2.30)

Statement of Significant Accounting Policies

1

Notes on Financial Statement and Other explanatory notes

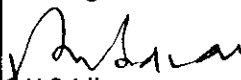
2-54

As per our report of even date attached

V Narayanan &amp; Co

Chartered Accountants

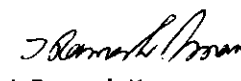
Firm Regn No. 0023985

  
 S U Sridharan  
 Partner

Membership No. 019613



For and on behalf of Board of Directors

  
 J. Ramesh Kannan  
 Managing Director & CFO

  
 D. Porpathasakaran  
 Chairman

  
 Swaphil Gupta  
 Company Secretary

Place : CHENNAI

Date : 30th May 2023

**STATEMENT OF CHANGES IN EQUITY**

(Indian Rupees in Hundreds)

**A. Equity Share Capital**

Balance at the beginning of the reporting period i.e. as at April 1, 2021	Changes in Equity Share Capital during the Year 2021-22	Balance as at Mar 31, 2022	Balance as at April 1, 2022	Changes in Equity Share Capital during the Year 2022-23	Balance as at March 31, 2023
45,67,620	-	45,67,620	45,67,620	-	45,67,620

(Indian Rupees in Hundreds)

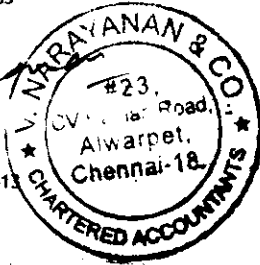
**B. Other Equity**

Particulars	Reserves and surplus			OCI	Total
	Securities Premium Reserve	Capital Restructuring Reserve	Statement of Profit & Loss	Other Comprehensive Income (Gratuity)	
<b>Financial Year - 2022-23</b>					
Balance as at April 1, 2022 (A)	98,400	9,79,711	(1,93,59,324)	-	(1,82,81,213)
Profit/(Loss) for the year	-	-	(11,96,634)	-	(11,96,634)
Add: Transferred to Other comprehensive income of earlier years	-	-	32,745	(32,745)	-
Add: Other Comprehensive income	-	-	-	13,734	13,734
<b>Total comprehensive income for the year 2021-22 (B)</b>	-	-	(11,63,889)	(19,011)	(11,82,900)
<b>Balance as at Mar 31, 2023 (A)+(B)</b>	<b>98,400</b>	<b>9,79,711</b>	<b>(2,05,23,213)</b>	<b>(19,011)</b>	<b>(1,94,64,114)</b>
<b>Financial Year - 2021-22</b>					
Balance as at April 1, 2021 (A)	98,400	9,79,711	(1,83,09,777)	-	(1,72,31,666)
Profit/(Loss) for the year	-	-	(10,44,368)	-	(10,44,368)
Add: Other Comprehensive income	-	-	(5,179)	-	(5,179)
<b>Total comprehensive income for the year 2021-22 (B)</b>	-	-	(10,49,547)	-	(10,49,547)
<b>Balance as at Mar 31, 2022 (A)+(B)</b>	<b>98,400</b>	<b>9,79,711</b>	<b>(1,93,59,324)</b>	<b>-</b>	<b>(1,82,81,213)</b>

As per our report of even date attached  
 V Narayanan & Co  
 Chartered Accountants  
 Firm Regn No. 0023985

For and on behalf of Board of Directors

S U Sridharan  
 Partner  
 Membership No. 019613



*J. Ramesh Kannan*  
 J. Ramesh Kannan  
 Managing Director & CFO

*D. Porpathasekaran*  
 D. Porpathasekaran  
 Chairman

*Swapnil Gupta*  
 Swapnil Gupta  
 Company Secretary

Place : CHENNAI  
 Date : 30th May 2023

**TAMILNADU TELECOMMUNICATIONS LIMITED**

No. 16, 1st Floor, Aziz Mulk, 3rd Street, Thousand Lights, Chennai 600 006  
 CIN:L32201TN1988PLC015705, Tel: 044 28292653, Email:ttlosec@gmail.com, Website: www.ttlofc.in

**STATEMENT OF CASH FLOW**

**Accounting Policy:**

The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 on Statement of Cash Flows .

**Amendment to Ind AS 7:**

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the financial statements."

(Indian Rupees in Hundreds)

Description	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Cash Flow from Operating Activities:</b>		
Net Profit / (Loss) before tax	(11,82,900)	(10,49,547)
Adjustments for		
Add: - Depreciation	25,839	28,190
- Interest & Finance Charges	9,21,314	8,22,051
- Loss on sale of assets	-	-
- Exchange Rate Fluctuations - Loss / (Gain)	10,782	-
	(2,24,965)	(1,99,306)
Less: - Interest/Dividend Received	2,007	2,034
<b>Operating Profit before Working Capital changes</b>	<b>(2,26,973)</b>	<b>(2,01,340)</b>
<b>Changes in assets and liabilities:</b>		
- Trade Receivables	97,113	6,967
- Other Current receivables	(19,014)	(46,050)
- Inventories	-	-
- Other Non-current assets	1,535	-
- Trade Payables	5,914	(6,65,061)
- Other financial liabilities, other liabilities, borrowings and provisions	10,81,048	16,86,245
<b>Cash generated from Operations</b>	<b>9,39,621</b>	<b>7,80,762</b>
Income Tax	-	-
<b>Cash Flow after tax before exceptional items</b>	<b>9,39,621</b>	<b>7,80,762</b>
Exceptional items	-	-
Exchange Rate Fluctuations - (Loss) / Gain	(10,782)	-
<b>Net Cash generated by Operating Activities- A</b>	<b>9,28,838</b>	<b>7,80,762</b>
<b>Cash Flow from Investing Activities:</b>		
Purchase of Non-Current Assets	-	(430)
Sale of Fixed assets	-	2,449
Investment in Fixed Deposits	-	-
Interest/Dividend Received	215	204
<b>Net Cash from / (used) in Investment Activities -B</b>	<b>215</b>	<b>2,223</b>
<b>Cash Flow from Financing Activities:</b>		
Increase / (Repayment) of Non Current Liabilities	16,631	38,982
Interest charges	(9,21,314)	(8,22,051)
Dividends Paid	-	-
Dividend Tax	-	-
<b>Net Cash used in Financing Activities-C</b>	<b>(9,04,683)</b>	<b>(7,83,069)</b>
<b>Net (decrease)/increase in Cash Equivalents (A+B+C)</b>	<b>24,370</b>	<b>(85)</b>
Cash & Cash Equivalents at the beginning of the Year	2,706	2,791
Cash & Cash Equivalents at the end of the year	27,076	2,706
Bank Balances other than Cash & Cash Equivalents	41,957	40,164
<b>Cash &amp; Bank balances at the end of the year</b>	<b>69,033</b>	<b>42,870</b>

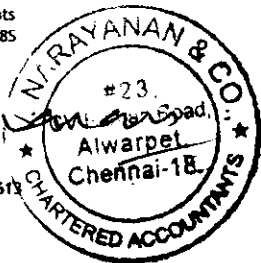
**Notes:**

- Cash and cash equivalents represents cash in hand and cash with scheduled banks.
- Figures for the previous year have been re-grouped wherever necessary.

As per our report of even date attached

V Narayanan & Co  
 Chartered Accountants  
 Firm Regn No. 0023985

S U Sridharan  
 Partner  
 Membership No. 019613



For and on behalf of Board of Directors

J Ramesh Kannan  
 Managing Director & CFO

D.Porpathasekaran  
 Chairman

Swarnil Gupta  
 Company Secretary

Place : CHENNAI  
 Date : 30th May 2023

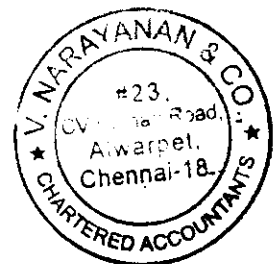


**Note 2- Plant, Property and Equipment****Note 2A -Gross Carrying cost -Plant, Property and Equipment**

Particulars	Gross block as at 1st April 2022	Additions	Disposals	Gross block as at 31st March 2023
Land -(Freehold)	4,20,136	-	-	4,20,136
Buildings	3,37,948	-	-	3,37,948
Plant and Equipment	31,58,076	-	-	31,58,076
Furniture and Fixtures	7,962	-	-	7,962
Vehicles	12,741	-	-	12,741
Office Equipment	4,584	-	-	4,584
<b>Others</b>				
EDP Equipments	5,318	-	-	5,318
<b>Total</b>	<b>39,46,765</b>	-	-	<b>39,46,765</b>
Previous Year	39,95,305	430	48,970	39,46,765

**Note 2B -Accumulated Depreciation- Plant, Property and Equipment**

Particulars	Balance as at 1st April 2022	Depreciation/A mortization for the period	Depreciation withdrawn - Sales /Scrapping	Balance as at 31st March 2023	Net Block as at 31st March 2023	Net Block as at 31st March 2022
Land -(Freehold)	-	-	-	-	4,20,136	4,20,136
Buildings	2,43,966	9,712	-	2,53,679	84,269	93,982
Plant and Equipment	28,75,583	16,109	-	28,91,693	2,66,383	2,82,493
Furniture and Fixtures	7,754	-	-	7,754	208	208
Vehicles	12,305	-	-	12,305	437	437
Office Equipment	4,399	17	-	4,416	168	185
<b>Others</b>						
EDP Equipment	5,084	-	-	5,084	234	234
<b>Total</b>	<b>31,49,092</b>	<b>25,839</b>	-	<b>31,74,930</b>	<b>7,71,834</b>	<b>7,97,674</b>
Previous Year	31,67,424	28,189	46,522	31,49,092	7,97,674	8,27,881



## Note 3- Other Financial Assets

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured - considered Good		
Security Deposits	300	1,835
<b>Total</b>	<b>300</b>	<b>1,835</b>

## Note 4- Inventories

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Inventories (*)</b>		
(a) Raw-Materials	1,99,296	1,99,296
Less : Provision for redundancy	1,81,880	1,81,880
	17,416	17,416
(b) Work-in-Progress	2,04,807	2,04,807
Less : Provision for redundancy	1,14,401	1,14,401
	90,406	90,406
(c) Stores and Spares	14,876	14,876
Less : Provision for redundancy	14,876	14,876
	-	-
(d) Disposable Scrap	1,301	1,301
Less : Provision for redundancy	1,301	1,301
	-	-
<b>Total</b>	<b>1,07,822</b>	<b>1,07,822</b>

(\*) Refer Significant accounting policies

## Note 5- Trade Receivables

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Trade Receivables</b>		
Secured - Considered good	-	-
Unsecured - Considered good(*)	6,09,541	7,06,655
	<b>6,09,541</b>	<b>7,06,655</b>
Doubtful(**)	9,95,955	8,97,258
Less: Provision for Doubtful Debts	9,95,955	8,97,258
	-	-
<b>Total</b>	<b>6,09,541</b>	<b>7,06,655</b>

(\*) 1. Trade Receivables (Unsecured - Considered good) includes amounts receivable from TCIL(Related Party) amounting to Rs. 1,20,947/- (Previous Year - Rs. 1,98,621/-)

(\*\*) 2. Trade Receivables (Doubtful) includes amounts receivable from TCIL(Related Party) amounting to Rs. 90,259/- (Previous Year - Rs. 11,003/-)

3. Trade Receivables ageing details are given below:

PARTICULARS	Outstanding for following periods from Due date of payment as on 31.03.2023					TOTAL
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	-	-	2,70,036	2,70,036
(ii) Undisputed Trade Receivables considered doubtful	-	-	-	-	9,95,955	9,95,955
(iii) Disputed Trade Receivables considered good	-	-	-	-	3,39,505	3,39,505
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Less: Provision for Doubtful Debts	-	-	-	-	(9,95,955)	(9,95,955)
<b>Total</b>	-	-	-	-	<b>6,09,541</b>	<b>6,09,541</b>

PARTICULARS	Outstanding for following periods from Due date of payment as on 31.03.2022					TOTAL
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	-	-	3,67,150	3,67,150
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	8,97,258	8,97,258
(iii) Disputed Trade Receivables considered good	-	-	-	-	3,39,505	3,39,505
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Less: Provision for Doubtful Debts	-	-	-	-	(8,97,258)	(8,97,258)
<b>Total</b>	-	-	-	-	<b>7,06,655</b>	<b>7,06,655</b>

**Note 6 (a) - Cash & Cash Equivalents**

Particulars	As at 31st March 2023	As at 31st March 2022
Balances with Bank		
- Current Accounts	1,999	2,706
- In Deposits with original maturity less than 3 months	25,077	-
<b>Total</b>	<b>27,076</b>	<b>2,706</b>

**Note 6 (b)- Bank balances other than 6(a) above**

Particulars	As at 31st March 2023	As at 31st March 2022
Balances with Bank		
- Margin money with Yes bank	41,957	40,164
<b>Total</b>	<b>41,957</b>	<b>40,164</b>

**Note 7- Other Financial Assets**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Unsecured Considered Good</b>		
Employee advances	23	207
Amount recoverable from Related party - TCIL	68,823	51,304
Amount recoverable from other vendors	1,268	14,102
<b>Total</b>	<b>70,113</b>	<b>65,613</b>

**Note 8- Current tax assets**

Particulars	As at 31st March 2023	As at 31st March 2022
TDS receivable A.Y.2023-24	157	-
IT Refund receivable A.Y.2022-23	203	203
IT Refund receivable A.Y.2021-22	179	179
<b>Total</b>	<b>540</b>	<b>383</b>

**Note 9- Other Current assets**

Particulars	As at 31st March 2023	As at 31st March 2022
Balances with Government authorities	1,68,146	1,53,694
Prepaid Expenses	392	458
Interest accrued on Margin money deposit	489	517
<b>Total</b>	<b>1,69,027</b>	<b>1,54,669</b>

## Note 10- Equity Share Capital

Particulars	As at 31st March 2023	As at 31st March 2022
<b>A) Authorised:</b> 5,00,00,000 Equity Shares of Rs.10 each (previous year 5,00,00,000 Equity Shares of Rs.10 each)	50,00,000	50,00,000
<b>B) Shares Issued, Subscribed &amp; Fully paid up and Subscribed and not fully paid up Issued:</b> 4,56,81,000 Equity Shares of Rs.10 each (previous year 4,56,81,000 Equity Shares of Rs.10 each)	45,68,100	45,68,100
<b>(I) Subscribed &amp; Fully paid up:</b> 4,56,71,400 Equity Shares of Rs.10 each (previous year 4,56,71,400 Equity Shares of Rs.10 each)	45,67,140	45,67,140
<b>(II) Subscribed &amp; not fully paid up:</b> 9,600 Equity Shares of Rs.10 each (previous year 9,600 Equity Shares of Rs.10 each)	960	960
Less: Allotment money unpaid -others - 9,600 Equity Shares of Rs. 5 each (previous year 9,600 Equity Shares of Rs. 5 each)	(480)	(480)
Subscribed & paid up	45,67,620	45,67,620
Par Value per share	10	10

## C) Reconciliation of the Number of Shares Outstanding at the beginning and at the end of the Reporting period:

Particulars	As at 31st March 2023	As at 31st March 2022
Number of shares outstanding at the beginning of the reporting period (fully paid up)	4,56,71,400	4,56,71,400
Shares issued during the year	-	-
Number of shares outstanding at the end of the reporting period ( fully paid up)	4,56,71,400	4,56,71,400

\*9600 partly paid up Equity shares amounting to Rs. 480 (in hundreds) are subject to forfeiture.

## D) Rights, preferences and restrictions attached to shares:

Equity Shares: The company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding after settlement of all Preferential amounts.

## E) Shares held by Holding Company: (by virtue of Section 2(87) of the Companies Act, 2013)

Particulars	As at 31st March 2023	As at 31st March 2022
2,23,83,700 Equity Shares of Rs.10 each (49%) held by Telecommunications Consultants India Limited (One of the Promoters)	22,38,370	22,38,370

F) Details of Shareholders holding more than 5% of shares:

Name of Share Holder	As at 31st March 2023	
	Number of shares held	Percentage of Holding (%)
(a) Telecommunications Consultants India Ltd (TCIL)	2,23,83,700	49.00
(b) Tamilnadu Industrial Development Corporation Ltd (TIDCO)	66,84,000	14.63
(c) State Bank of India (SBI)	42,47,500	9.30
(d) Fujikura Limited, Japan	32,80,000	7.18

G) Shareholding of the promoters:

Name of Share Holder	As at 31st March 2022	
	Number of shares held	Percentage of Holding (%)
(a) Telecommunications Consultants India Ltd (TCIL)	2,23,83,700	49.00
(b) Tamilnadu Industrial Development Corporation Ltd (TIDCO)	66,84,000	14.63

Note 11- Other equity

Particulars	As at 31st March 2023	As at 31st March 2022
<b>(i) Other Reserves</b>		
<b>Securities Premium Reserve</b>		
Opening Balance	98,400	98,400
Add: Securities Premium credited on Share Issue	-	-
Less: Issue of Bonus Shares	-	-
<b>Closing Balance</b>	<b>98,400</b>	<b>98,400</b>
<b>Capital Restructuring Reserve</b>		
Balance at the beginning of the year	9,79,711	9,79,711
Add: Additions / transfers during the year	-	-
Less: Utilisations / transfers during the year	-	-
<b>Closing Balance</b>	<b>9,79,711</b>	<b>9,79,711</b>
<b>(ii) Retained earnings - Surplus/(Deficit) in the statement of Profit and Loss</b>		
<b>Deficit in Statement of Profit and Loss</b>	<b>(1,93,59,325)</b>	<b>(1,83,09,777)</b>
Net Profit / (Net Loss) for the current Period	(11,96,634)	(10,44,368)
Other Comprehensive income	-	(5,179)
Transferred to Other comprehensive income of earlier years	32,745	-
<b>Closing Balance</b>	<b>(2,05,23,213)</b>	<b>(1,93,59,324)</b>
<b>(iii) Other Comprehensive Income</b>		
Transferred from Statement of Profit and Loss	(32,745)	-
Add: Other Comprehensive income for the year	13,734	-
<b>Closing Other Comprehensive Income</b>	<b>(19,011)</b>	<b>-</b>
<b>TOTAL</b>	<b>(1,94,64,114)</b>	<b>(1,82,81,213)</b>

**Note 12- Long term Borrowings**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>A.Secured Long Term Borrowings:</b>		
Loans and Advances from Related Parties - (*)	11,65,730	11,65,730
<b>Total</b>	<b>11,65,730</b>	<b>11,65,730</b>

(\*)

- 1.Consists of Bridge loan from TCIL Rs.11,65,730 (Previous year - Rs. 11,65,730).
2. Bridge loan is short term loan provided by TCIL as per the Sanctioned Scheme of Erstwhile BIFR which has to be repaid by arrangement through banks as early as possible. The rate of interest is SBI Base rate + 2.5% p.a
3. Considering the present inability of the company to repay its debts, the Bridge loan is treated as Long Term borrowings in the books of the company.
4. Secured against all the fixed assets as well as current assets of the Company as at present existing and to be acquired in future.

**Note 13- Long term Provisions**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Provision for Employee benefits</b>		
- Gratuity	4,42,265	4,19,082
- Leave Encashment	85,171	91,724
<b>Total</b>	<b>5,27,436</b>	<b>5,10,806</b>

**Note 14- Short Term Borrowings**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>A.Secured</b>		
Loans and Advances from Related Parties - (*)	20,10,685	18,71,417
<b>Total</b>	<b>20,10,685</b>	<b>18,71,417</b>

(\*)

1. Consist of Working Capital support from TCIL of Rs. 20,10,685 (Previous year - Rs. 18,71,417)
2. Working capital support provided by TCIL will be adjusted against the realisation on revolving basis. The rate of interest is SBI Base rate + 2.5% p.a.
3. Secured against all the fixed assets as well as current assets of the Company as at present existing and to be acquired in future.

**Note 15- Trade Payables**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Trade Payables (*)</b>		
Secured	52,25,854	52,25,854
Unsecured	3,42,963	3,37,049
<b>Total</b>	<b>55,68,817</b>	<b>55,62,903</b>

(\*)

1. Secured Trade Payables of Rs. 52,25,854 (Previous year - Rs. 52,25,854) comprises of dues to TCIL towards Raw material support. The rate of interest is SBI Base rate + 2.5% p.a.
- 2.Secured against all the fixed assets as well as current assets of the Company as at present existing and to be acquired in future.

3. Trade payables ageing details is given below:

PARTICULARS	Outstanding for following periods from Due date of payment as on 31.03.2023				TOTAL
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Dues - MSME	-	-	-	-	-
Undisputed Dues - Others	-	-	-	55,68,817	55,68,817
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	-	-	-	55,68,817	55,68,817

PARTICULARS	Outstanding for following periods from Due date of payment as on 31.03.2022				TOTAL
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Dues - MSME	-	-	-	-	-
Undisputed Dues - Others	-	-	-	55,62,903	55,62,903
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	-	-	-	55,62,903	55,62,903

**Note 16- Other Current Financial Liabilities**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Unsecured</b>		
Dues to Related parties		
- Fujikura Limited, Japan (*)	2,06,756	2,00,306
- TCIL (**)	6,65,061	6,63,012
Interest accrued and due to Related party (TCIL) (***)	55,74,513	46,55,278
Others : Earnest Money Deposits, Security Deposits	19,626	14,626
<b>Total</b>	<b>64,65,956</b>	<b>55,33,222</b>

(\*) Payable to Fujikura Limited, Japan, pertains to Royalty & Technical Know how fee payable.

(\*\*) Payable to TCIL, pertains to charges towards bank guarantee

(\*\*\*) Interest accrued and due to TCIL includes interest outstanding on all borrowings and liabilities to TCIL (Bridge Loan, Working Capital Support and Raw material support)

**Note 17- Other Current Liabilities**

Particulars	As at 31st March 2023	As at 31st March 2022
Statutory dues payable	3,64,480	3,62,011
Amount payable to employees	4,74,347	4,64,649
Outstanding expenses	49,437	57,782
<b>Total</b>	<b>8,88,264</b>	<b>8,84,441</b>

**Note 18- Short term Provisions**

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for employee benefits		
- Gratuity	31,517	21,922
- Leave encashment	5,720	2,785
Provisions for Warranty	-	7,308
Provision for Onerous Loss	30,580	30,580
<b>Total</b>	<b>67,817</b>	<b>62,595</b>

## Notes to Statement of Profit and Loss

(Indian Rupees in Hundreds)

## Note 19- Other Income

Particulars	For the year ended 31st March 2023	For the year ended 31st Mar 2022
Liabilities written back	12,455	-
Excess provision on Leave encashment written back	3,618	-
Miscellaneous Income	237	118
<b>Total</b>	<b>18,318</b>	<b>2,152</b>

## Note 20- Cost of materials consumed

Particulars	For the year ended 31st March 2023	For the year ended 31st Mar 2022
Opening stock	2,15,473	2,15,473
Add: Purchases	-	-
Add: Direct Expenses	-	-
Less: Closing stock	2,15,473	2,15,473
<b>Total</b>	<b>-</b>	<b>-</b>

## Note 21- Changes in inventories of finished goods, Stock-in-Trade and work-in-progress

Particulars	For the year ended 31st March 2023	For the year ended 31st Mar 2022
(a) Opening Stock		
- Work in Progress	2,04,807	2,04,807
(b) Closing Stock		
- Work in Progress	2,04,807	2,04,807
<b>Decrease / (Increase) in inventories of finished goods, work-in-progress and stock-in-trade</b>	<b>-</b>	<b>-</b>

## Note 22- Employee benefits expense

Particulars	For the year ended 31st March 2023	For the year ended 31st Mar 2022
(a) Salaries and Wages	59,082	98,515
(b) Contribution to Provident & Other Funds	22	1,217
(c) Staff Welfare expenses	38	-
(d) Leave Encashment	848	18,213
(e) Gratuity	43,214	39,334
<b>Total</b>	<b>1,03,204</b>	<b>1,57,279</b>

## Note 23- Finance costs

Particulars	For the year ended 31st March 2023	For the year ended 31st Mar 2022
(a) Interest Expenses		
- Interest on loans from TCIL	9,19,234	8,19,923
(b) Bank Charges	2,080	2,128
<b>Total</b>	<b>9,21,314</b>	<b>8,22,051</b>



**Note 24- Depreciation and amortization expense**

Particulars	For the year ended 31st March 2023	For the year ended 31st Mar 2022
Depreciation	25,839	28,190
<b>Total</b>	<b>25,839</b>	<b>28,190</b>

**Note 25- Other expenses**

Particulars	For the year ended 31st March 2023	For the year ended 31st Mar 2022
Provision for Bad and Doubtful Debts	98,696	-
Net Loss on Foreign Currency reinstatement	10,782	3,736
Rates & Taxes (excluding Income tax)	9,027	6,164
Assets written Off	8,989	-
PF administration and inspection charges	8,396	12
Professional and Consultancy Charges	7,632	8,510
Security Charges	5,741	1,279
Listing fee to Stock Exchanges	5,600	5,400
Printing & Stationery	2,000	197
Annual Custodial fee to Depositories	1,524	1,548
Miscellaneous Expenditure	1,106	1,329
Rent	1,104	1,104
Advertisement other than publicity	907	1,139
Repairs & Others Maintenance	773	2,238
Insurance	563	669
Postal & Telecommunications	155	1,093
Travelling & conveyance	150	683
Payment to Auditors		
- As Auditor (Excluding GST)	1,000	1,000
- For other services	450	450
<b>Total</b>	<b>1,64,595</b>	<b>36,551</b>

**Note 26- Exceptional Item**

Particulars	For the year ended 31st March 2023	For the year ended 31st Mar 2022
(a) Prior period expenses:	-	-
Less: transferred to previous years	-	-
(b) Disallowance in Insurance claim	-	-
(a) Loss on sale of Fixed Assets	-	2,449
<b>Total</b>	<b>-</b>	<b>2,449</b>

**Other Comprehensive Income****Note 27- Items that will not be reclassified to profit or loss**

Particulars	For the year ended 31st March 2023	For the year ended 31st Mar 2022
Gratuity	13,734	(5,179)
<b>Total</b>	<b>13,734</b>	<b>(5,179)</b>

**Note - 28****1 Financial Instruments: (Indian Rupees in Hundreds)****i Financial Risk Management:**

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Financial Risks in a Business Entity can be classified as Market Risk, Credit Risk and Liquidity Risk. The status of these Risks at the Company is as brought out hereunder:

**a) Market Risk :**

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**b) Credit Risk :**

Credit risk arises from the possibility that customers or counterparty to financial instruments may not be able to meet their obligations. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Credit risks arises from cash and cash equivalents, deposits with banks, financial institutions and others, as well as credit exposures to customers, including outstanding receivables. The Company's policy is to place cash and cash equivalents and short term deposits with reputable banks and financial institutions.

**c) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date 31.03.2023.\*

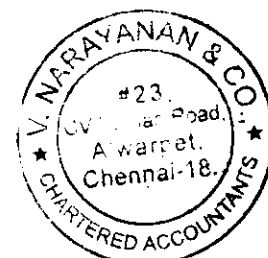
Particulars	Carrying value	Less than 1 year	More than 1 year upto 3 years	Beyond 3 years	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Borrowings	31,76,415	1,39,269	3,58,919	26,78,228	31,76,415
Trade Payables	55,68,817	-	-	55,68,817	55,68,817
Other Financial Liabilities	64,65,956	9,32,735	23,89,977	31,43,245	64,65,956
<b>Total</b>	<b>1,52,11,189</b>	<b>10,72,004</b>	<b>27,48,896</b>	<b>1,13,90,290</b>	<b>1,52,11,188</b>

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date 31.03.2022.\*

Particulars	Carrying value	Less than 1 year	More than 1 year upto 3 years	Beyond 3 years	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Borrowings	30,37,147	1,40,447	4,88,204	24,08,496	30,37,147
Trade Payables	55,62,903	-	-	55,62,903	55,62,903
Other Financial Liabilities	55,33,222	8,24,974	24,21,628	22,86,620	55,33,222
<b>Total</b>	<b>1,41,33,272</b>	<b>9,65,420</b>	<b>29,09,832</b>	<b>1,02,58,019</b>	<b>1,41,33,272</b>

\* The table has been drawn up based on undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

The table includes both interest and principal cash flows.



ii Fair Values Hierarchy

Financial assets and Financial liabilities measured at fair value in the statement of financial position are categorized into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1 - Quoted Prices (unadjusted) in active markets for financial instruments

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Valuation Techniques:

The Carrying value of financial assets and liabilities with maturities less than 12 months are considered to be representative of their fair value.

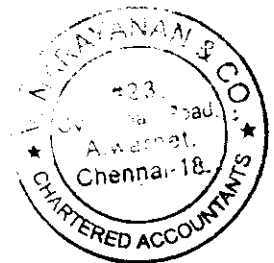
There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

iii. The carrying value and fair value of Financial instruments by each category as at 31st March, 2023 were as follows.

Sl. No	Particulars	Financial assets/liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total Carrying Value	Total Fair Value
<b>A.</b>	<b>Financial assets</b>					
	(i) Trade receivables	6,09,541	-	-	6,09,541	6,09,541
	(ii) Cash and Bank balances	69,033	-	-	69,033	69,033
	(iii) Other Financial Assets	70,413	-	-	70,413	70,413
	<b>Total financial assets</b>	<b>7,48,988</b>	<b>-</b>	<b>-</b>	<b>7,48,988</b>	<b>7,48,988</b>
<b>B</b>	<b>Financial Liabilities</b>					
	(i) Borrowings	31,76,415	-	-	31,76,415	31,76,415
	(ii) Trade Payables	55,68,817	-	-	55,68,817	55,68,817
	(iii) Other Financial Liabilities	64,65,956	-	-	64,65,956	64,65,956
	<b>Total financial assets</b>	<b>1,52,11,189</b>	<b>-</b>	<b>-</b>	<b>1,52,11,189</b>	<b>1,52,11,189</b>

The carrying value and fair value of Financial instruments by each category as at 31st March, 2022 were as follows.

Sl. No	Particulars	Financial assets/liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total Carrying Value	Total Fair Value
<b>A.</b>	<b>Financial assets</b>					
	(i) Trade receivables	7,06,655	-	-	7,06,655	7,06,655
	(ii) Cash and Bank balances	42,870	-	-	42,870	42,870
	(iii) Other Financial Assets	67,448	-	-	67,448	67,448
	<b>Total financial assets</b>	<b>8,16,973</b>	<b>-</b>	<b>-</b>	<b>8,16,973</b>	<b>8,16,973</b>
<b>B</b>	<b>Financial Liabilities</b>					
	(i) Borrowings	30,37,147	-	-	30,37,147	30,37,147
	(ii) Trade Payables	55,62,903	-	-	55,62,903	55,62,903
	(iii) Other Financial Liabilities	55,33,222	-	-	55,33,222	55,33,222
	<b>Total financial assets</b>	<b>1,41,33,272</b>	<b>-</b>	<b>-</b>	<b>1,41,33,272</b>	<b>1,41,33,272</b>



iv. **Capital Management:**

The Company's capital management objectives are:

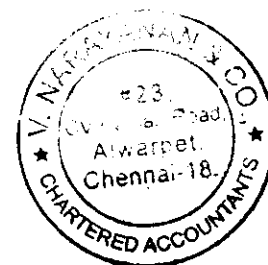
- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of Balance Sheet.

Management assesses the Company's capital management in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

**Dividends**

Particulars	31.03.2023	31.03.2022
(a) The amount of dividend proposed and not recognized at the end of the reporting period to be distributed to Equity share holders	-	-
(b) The corresponding amount of dividend distribution tax for the amount of proposed dividend	-	-



## OTHER EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS:

### NOTE NO. 29:

The Company is having a system of sending letters to the Debtors for confirming the balance as at the year-end 31st March. However, the balances of Trade receivables, Trade payables, loans and advances (other than Telecommunications Consultants India Limited (TCIL)) are subject to confirmation.

### NOTE NO. 30:

- (a) No provision is made for BSNL which is a long pending debtor of Rs. 3,39,505 (previous year Rs. 3,39,505) in view of the arbitration proceeding completed against the Purchaser for which the Award was received on 14<sup>th</sup> January 2005 in favour of the Company but has since been challenged by the Purchaser in the court. Further the court remitted back the case to the Arbitrator for speaking orders which also had been awarded on 14<sup>th</sup> November 2014 in favour of the Company after arguments, cross examinations and written submissions. The purchaser has again appealed in the High Court. Now the matter is posted on list of final hearings of High court.
- (b) No provision is made for Rs. 13,397 (previous year Rs. 13,397) due from RailTel arbitration case was appealed against award in Delhi High Court which was disposed by Delhi high court.

(Indian Rupees in Hundreds)

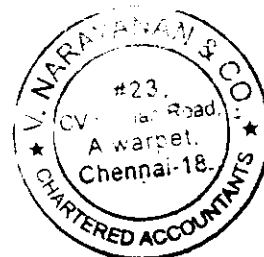
### NOTE NO. 31:

After restructuring as per the Sanctioned Scheme of erstwhile BIFR during 2010-11, the net worth of the Company was positive during 2010-11. However, during the year 2011-12 the net worth had again eroded. The Company was under rehabilitation period as per the erstwhile BIFR Sanctioned Scheme. Lack of executable orders and dull phase of Optical Fiber Cable (OFC) market from the year 2010-11 onwards is the reason for the poor performance.

During the year 2012-13 the Company had received order from BSNL for supply of 3206 KMs of OFC valuing Rs.15,97,011 and successfully executed the order in time and got 50% add-on order of 1602 KMs and executed during 2013-14 valuing Rs.7,98,007. These two were the only major orders executed during these two years.

Bharat Broadband Network Limited (BBNL), the Special Purpose Vehicle of the Government, had floated the tender towards the National Optical Fiber Network (NOFN) project to connect all the villages by broad band. The date of tender opening was 08.05.2013. Though the initial projection was 600000 KMs, the tender called for is to cover 404995 KMs under six packages based on geographical location. For this huge quantum, BBNL has fixed the delivery time frame of eight months only including initial two months for preliminary arrangements. The Company has participated in one package considering its production capacity to cover the quantum in the given short delivery period. The Company has received APO and given acceptance during February, 2014 for 5800 KMs including accessories. The Value of the APO is Rs. 31,90,444. BBNL has proposed to issue PO in two phases of 50% each. During April,2014, BBNL has issued the first 50% PO for 2900 KMs including accessories valuing Rs. 1,595,273. Delivery period was upto October, 2014. BBNL has issued the consignee details in full periodically for four months consignments of 1740 KMs only. For fifth month consignment, consignee details were provided for only 48 KMs out of 580 KMs. Hence consignee details are not provided for balance around 1112 KMs. BBNL has extended the delivery schedule by another six months beyond October,2014. Hence the supply of balance around 1112 KMs and second 50% PO for 2900 KMs was anticipated during 2016-17 and 2017-18 for execution. However, BBNL did not decide on the consignees and no supply could, therefore, be made thereafter.

The Company had participated in the tender floated by BSNL for supply of 24,000 KMs of 24F HDPE DS OFC. The technical bid opened and the company has been technically qualified. Financial bid opened on 21.5.2015 which was followed by e reverse auction but TTL could not compete in the e-reverse auction.



The company had railway orders worth Rs.10 cr during the financial year 2016-17 and 2017-18. But due to non-availability of fiber from Fujikura, Japan, the orders could not be executed.

The requirement of OFC in the country is huge; however the delay in procurement is due to various procedural matters / issues in execution of big projects by the Government Clients.

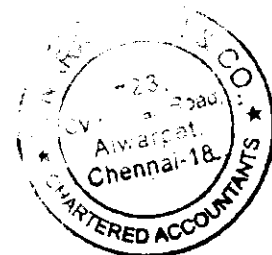
The Company is hoping to get continuous orders since the OFC market has picked up. The order booking position is expected to improve as there is huge requirement of OF cable in the near future due to the impact of 5G.

Therefore, the company and its promoters were taking various efforts for revival of the company as detailed below:

- i. MOU was signed with ITI Limited (PSU) in the presence of Hon'ble Minister of Communication during the synergy meeting held on 22th February 2018 at New Delhi for contract manufacturing.
- ii. The proposal of taking over the company/utilizing capacity by BSNL was discussed with BSNL & TCIL both under Department of Telecommunication. DOT discussed in the meeting held on 07.03.2019 with regard to takeover of TTL by BSNL, it was suggested by Ministry to BSNL to utilize the capacity of TTL since BSNL requirement is 100000 km per annum against TTL capacity of 10000 Km per annum. Follow up action has been taken up by the company and TCIL.
- iii. Diversion of existing skilled employees to Fiber Optic Splicing, Survey, Optical Laying Supervision and other telecom related service contracts to maximize the utilization of existing skilled manpower has been taken care. Orders for deputation to TCIL were issued to all the employees of TTL and 60 employees joined in TCIL on deputation basis till Last Financial Year. Few employees were posted at TCIL Chennai to attend of minimum requirement of TTL factory and TTL office work.
- iv. To obtain preferential orders from Tamilnadu State PSU, for supplying Optical Fiber Cable in Tamilnadu. Management has been continuously pursuing and approaching the concerned secretaries and ministers of Government of Tamilnadu.
- v. To obtain Turnkey contracts with the help of TCIL on nomination basis from DOT / PSUs / Tamilnadu Govt. and execute the orders so that excess skilled manpower will be utilized.
- vi. TCIL management has been taking efforts to revive TTL through various correspondence and meeting with Ministers of Government of Tamilnadu and TIDCO CMD.
- vii. Promoter TCIL has initiated the proposal of sale of entire stake of TCIL in TTL through DIPAM as per the revised procedure for strategic disinvestment in CPSEs. The same has been pursued with Department of Telecom, Ministry of Communication. The strategic disinvestment will pave the way for revival of the company by the prospective buyers.
- viii. Department of Telecom has also been pursuing the matter and required data has been shared. EoI was floated in the year 2021 for engaging Consultant to explore various revenue generation options. Consultant was appointed for monetization of factory and factory premises. Based on the consultant report RFP was floated on 29/12/2021 was floated through company website and newspaper advertisement for "Grant of Lease of the Manufacturing Facilities and Premises of TTL". The proposal was taken to the approval of Board in their 176 Board meeting dt.20th May 2022 and in the AGM on September 2022. The selected party did not come for signing the agreement and tender was cancelled. RFP was floated again on 02.01.2023. Single party quoted. LoA was issued bh TTL. After the receipt of LoA, the party withdrew from the tender process.

#### **Present status of Revival of TTL**

- a) As a first step, restoration of electricity connection has been processed.
- b) Preferential order being pursued through TIDCO with Sate Government for Telecom infra Projects in Tamilnadu.



c) Request for Proposal (RFP) No. TTL/RFP/22-23/CHENNAI/02 dated 15.03.2023 was published on 16.03.2023 in the websites of TCIL (www.tcil.net.in) and TTL (www.ttllofc.in) for grant of lease of manufacturing facilities and premises of TTL Factory at Maraimalai nagar, near Chennai, Tamilnadu. It was also advertised in the leading newspapers All India English edition and Chennai Tamil edition. Single quote was received for Grant of Lease of the Manufacturing Facilities and Premises of TTL located in Maraimalai Nagar, near Chennai, Tamilnadu, on lease cum revenue sharing model basis. The bid has been accepted. With the approval from competent authority LoA has been issued to the party on 24.05.2023. Lease cum revenue will commence from 19<sup>th</sup> June 2023 for 9 year and 11 months.

Considering the scope during the immediate future, with the assured income from the lease period of 9 years & 11 months and with TCIL's financial / preferential order support to TTL, the accounts have been prepared on going concern basis.

**NOTE NO.32: LAND**

- (a) The Company is currently in possession of 2.42 acres of land acquired from CMDA. In respect of the said land Memorandum of Lease cum Sale Agreement has been entered and on completion of payment, the Company has executed Sale Deed and the same in original was surrendered to SBI, which is yet to be returned by SBI for which due clearances were received from all the banks of the consortium. The Company is following up with SBI, in this regard.
- (b) The Company is also in possession of 7.36 acres of free hold land of the Tamilnadu State Government. The cost of land determined by the Government in 2010 was paid by the Company. Land delivery receipt was issued to the Company by the Government. In the case of TN Government land, it is to be utilized for the purpose for which it is allotted.

**NOTE NO.33: Actuarial Valuation**

As per Indian Accounting Standard 19 "Employee Benefits", the disclosures of Employee benefits are given below

**A. Defined contribution Plan (Indian Rupees in Hundreds):**

Contribution to Defined Contribution Plan, recognized as expense for the year are as under

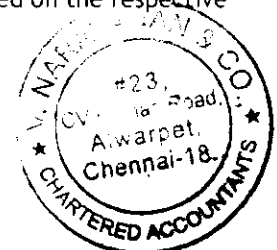
Particulars	2022 - 23	2021-22
Employer's Contribution to Provident Fund	22	209
Employer's Contribution to Pension Scheme	-	-

Upto the year 2008-09 the Company has set up separate Trust for Provident Fund and has been contributing towards the same. In view of the fact that the Company is industrially sick as declared by erstwhile BIFR and its net worth has fully eroded, the Provident Fund Commissioner-I has withdrawn with effect from 01.04.2009 the relaxation order issued under Para 79 of the Employees' Provident Fund Scheme 1952, with a direction to remit the whole cash balance to Employees' Provident Fund (EPF) Account No.1 and the balance available in Special Deposit Account to Central Board of Trustees, Employees' Provident Fund. During the year the Company has followed the directions of the Provident Fund Commissioner-I and remitted the monthly contributions to the concerned Regional Provident Fund Commissioner

**B. Defined Benefit Plan (All Figures in Rs. hundreds)**

**Gratuity (Un Funded)**

The Company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective



employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as of the balance sheet date. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method

The following table set out the status of the gratuity plan as required under Ind AS 19

**Service Cost:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Current Service Cost	15,907	16,094
Past Service Cost (including curtailment Gains/Losses)	-	-
Gains or losses on Non-Routine settlements	-	-
<b>Total</b>	<b>15,907</b>	<b>16,094</b>

**Net Interest Cost:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Interest Cost on Defined Benefit Obligation	26,689	32,041
Interest Income on Plan Assets	1,319	1,524
<b>Net Interest Cost (Income)</b>	<b>25,369</b>	<b>30,517</b>

**Change in Present Value of Obligations:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Opening of defined benefit obligations	4,151	4,630
Liability Transfer In/(Out)	0	0
Service cost	15,907	16,094
Interest Cost	26,689	32,041
Benefit Paid	0	0
<b>Actuarial (Gain)/Loss on total liabilities:</b>	<b>5,367</b>	<b>(13,628)</b>
- due to change in financial assumptions	(14,101)	(11,667)
- due to change in demographic assumptions	0	0
- due to experience variance	19,468	(1,960)
<b>Closing of defined benefit obligation</b>	<b>4,63,026</b>	<b>4,97,533</b>





**Change in Fair Value of Plan Assets:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Opening fair value of plan assets	20,514	22,022
Asset Transfer In/ (Out)	0	0
Actual Return on Plan Assets	1,508	1,630
Employer Contribution	0	9,930
Benefit Paid	0	0
<b>Closing fair value of plan assets</b>	<b>22,022</b>	<b>23,751</b>

**Actuarial (Gain)/Loss on Plan Asset:**

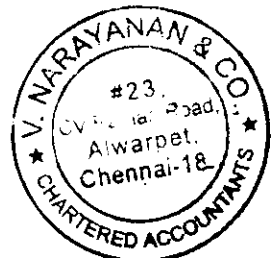
All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Expected Interest Income	1,319	1,524
Actual Income on Plan Asset	1,508	1,630
<b>Actuarial gain / (loss) on Assets</b>	<b>189</b>	<b>106</b>

**Other Comprehensive Income:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Opening amount recognized in OCI outside P&L account	-	-
Actuarial gain / (loss) on liabilities	(5,367)	13,628
Actuarial gain / (loss) on assets	189	106
<b>Closing amount recognized in OCI outside P&amp;L account</b>	<b>(5,179)</b>	<b>13,734</b>

**The amount to be recognized in Balance Sheet Statement:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Present Value of Obligations	4,151	4,630
Fair value of plan assets	205	220
Net Obligations	3,945	4,410
Amount not recognized due to asset limit	-	-
<b>Net defined benefit liability / (assets) recognized in balance sheet</b>	<b>3,945</b>	<b>4,410</b>



**Expense Recognized in Statement of Profit and Loss:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Service cost	15,907	16,094
Net Interest Cost	25,369	30,517
<b>Expenses Recognized in the statement of Profit &amp; Loss</b>	<b>41,277</b>	<b>46,611</b>

**Change in Net Defined Obligations:**

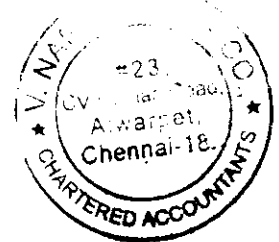
All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Opening of Net defined benefit liability	3,94,549	4,41,004
Service cost	15,907	16,094
Net Interest Cost	25,369	30,517
Re-measurements	5,179	(13,734)
Liability Transferred In / (out) - Net	0	0
Contribution paid to fund	0	(99)
<b>Closing of Net defined benefit liability</b>	<b>4,41,004</b>	<b>4,73,782</b>

**Reconciliation of Expense in Profit and Loss Statement:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Present Value of Obligation as at the end of the year	4,63,026	4,97,533
Present Value of Obligation as at the beginning of the year	(4,15,063)	(4,63,026)
Benefit Paid	0	0
Actual Return on Assets	(1,508)	(1,630)
Liability Transfer (In) / Out	0	0
OCI	(5,179)	13,734
<b>Expenses Recognised in the Statement of Profit and Loss(*)</b>	<b>41,277</b>	<b>46,611</b>

\* Gratuity cost included in Note 22

Particulars	March 31, 2022	March 31, 2023
Expenses recognized as per Actuarial valuation	41,277	46,611
Gratuity Recoverable from TCIL for employees deputed to TCIL	(22,111)	(17,618)
Gratuity payable to retiring employees	20,169	14,222
<b>Net Gratuity Cost Included in Note 22</b>	<b>39,334</b>	<b>43,214</b>



**Reconciliation of Liability in Balance Sheet:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Opening net defined benefit liability / (asset)	3,94,549	4,41,004
Expense charged to profit and loss account	41,277	46,611
Amount recognized outside profit & loss account	0	0
Employer Contributions	0	(9,930)
Liability Transferred In / (out) - Net	0	0
OCI	5,179	(13,734)
<b>Closing net defined benefit liability / (asset)(*)</b>	<b>4,41,004</b>	<b>4,73,782</b>

\*Total gratuity provision included in Note 13 and 18 amounts to Rs.4,73,782 (Previous year Rs. 4,41,004)

Note: The estimates of rate of escalation in salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is based on the valuation certified by the actuary

**C Leave encashment (All Figures in Rs. in Hundreds)**

The employees of the Company are entitled to compensate absence. The employees can carry forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence for a maximum of 240 days. The Company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date based on actuarial valuations.

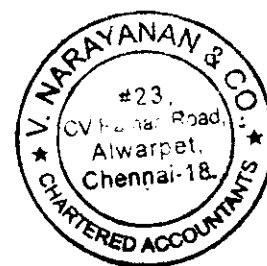
The following table set out the status of the Leave Benefit plan as required under Ind AS 19

**Service Cost:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Current Service Cost	6,031	6,384
Past Service Cost (including curtailment Gains/Losses)	0	0
Gains or losses on Non Routine settlements	0	0
<b>Total</b>	<b>6,031</b>	<b>6,384</b>

**Net Interest Cost:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Interest Cost on Defined Benefit Obligation	4,969	6,540
Interest Income on Plan Assets	0	0
<b>Net Interest Cost (Income)</b>	<b>4,969</b>	<b>6,540</b>



**Change in Present Value of Obligations:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Opening of defined benefit obligations	77,276	94,509
Liability Transfer In/(Out)	0	0
Service cost	6,031	6,383
Interest Cost	4,969	6,540
Benefit Paid	0	0
<b>Actuarial (Gain)/Loss on total liabilities:</b>	<b>6,234</b>	<b>(16,542)</b>
- due to change in financial assumptions	(2,916)	(2,136)
- due to change in demographic assumptions	0	0
- due to experience changes	9,150	(14,406)
<b>Closing of defined benefit obligation</b>	<b>94,509</b>	<b>90,891</b>

**Change in Fair Value of Plan Assets:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Opening fair value of plan assets	0	0
Asset Transfer In/ (Out)	0	0
Actual Return on Plan Assets	0	0
Employer Contribution	0	0
Benefit Paid	0	0
<b>Closing fair value of plan assets</b>	<b>0</b>	<b>0</b>

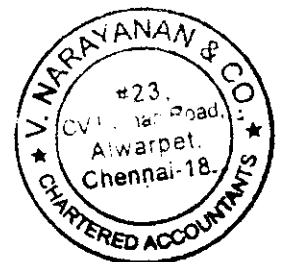
**Actuarial (Gain)/Loss on Plan Asset:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Expected Interest Income	0	0
Actual Income on Plan Asset	0	0
<b>Actuarial gain /(loss) on Assets</b>	<b>0</b>	<b>0</b>

**Other Comprehensive Income:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Opening amount recognized in OCI outside profit and loss account	N/A	N/A
Actuarial gain / (loss) on liabilities	N/A	N/A
Actuarial gain / (loss) on assets	N/A	N/A
<b>Closing of amount recognized in OCI outside profit and loss account</b>	<b>N/A</b>	<b>N/A</b>

Note:- As per paragraph 154 and 156 of IND AS 19, Actuarial gains and losses on other long term employee benefit plans continue to be required to be recognized through P&L.



**The amount to be recognized in Balance Sheet Statement:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Present Value of Obligations	94,509	90,891
Fair value of plan assets	-	-
Net Obligations	94,509	90,891
Amount not recognized due to asset limit	-	-
<b>Net defined benefit liability / (assets) recognized in balance sheet</b>	<b>94,509</b>	<b>90,891</b>

**Expense Recognized in Statement of Profit and Loss:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Service cost	6,031	6,384
Net Interest Cost	4,969	6,540
Net actuarial (gain)/ loss	6,234	(16,542)
<b>Expenses Recognized in the statement of Profit &amp; Loss</b>	<b>17,234</b>	<b>(3,618)</b>

Note:- As per paragraph 154 and 156 of IND AS 19, Actuarial gains and losses on other long term employee benefit plans continue to be required to be recognized through P&L.

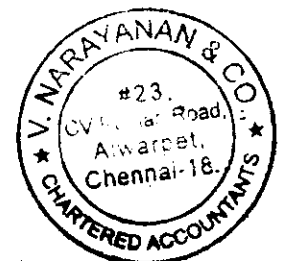
**Change in Net Defined Obligations:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Opening of Net defined benefit liability	77,276	94,509
Service cost	6,031	6,384
Net Interest Cost	4,969	6,540
Re-measurements	6,234	(16,542)
Liability Transferred In / (out) - Net	0	0
Contribution paid to fund	0	0
<b>Closing of Net defined benefit liability</b>	<b>94,509</b>	<b>90,891</b>

**Reconciliation of Expense in Profit and Loss Statement:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Present Value of Obligation as at the end of the year	94,509	90,891
Present Value of Obligation as at the beginning of the year	(77,276)	(94,509)
Benefit Paid	0	0
Actual Return on Assets	0	0
Liability Transfer (In) / Out	0	0
OCI	N/A	N/A
<b>Expenses Recognised in the Statement of Profit and Loss(*)</b>	<b>17,234</b>	<b>(3,618)</b>

\* Excess provision written back of Rs. 3,618 during the year ended 31.03.2023 included in Note 19.



Leave encashment expenses included in Note 22:

Particulars	March 31, 2022	March 31, 2023
Expenses recognized as per Actuarial valuation	17,234	-
Leave encashment payable to retiring employees	979	848
Net Leave encashment expenses Included in Note 22	18,213	848

**Reconciliation of Liability in Balance Sheet:**

All Figures in Indian Rupees in Hundreds	March 31, 2022	March 31, 2023
Opening net defined benefit liability / (asset)	77,276	94,509
Expense as above	17,233	(3,618)
Amount recognized outside profit & loss account	0	0
Liability Transferred In / (out) - Net	0	0
Employer Contributions	0	0
Closing net defined benefit liability / (asset)(*)	94,509	90,891

\*Total Leave encashment provision included in Note 13 and 18 and amounting to Rs. 90,891 (Previous year Rs.94,509)

**NOTE NO. 34:**

a. Current Tax: No provision for income tax is made in view of the current year loss and the accumulated losses of previous years available for set off.

b. Deferred tax: 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. The treatment noted above is in accordance with the Indian Accounting Standard 12 "Taxes on Income/ Income Taxes" notified under Section 133 of the companies Act, 2013.

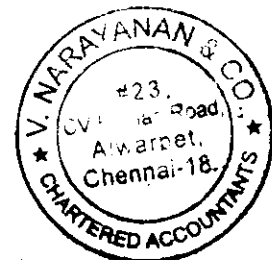
**NOTE NO. 35:**

Work-in-Progress under Inventories as on 31.03.2023 includes realizable scrap comprising short length cables, quality defects cables, excess production cables for operational reasons, type approval cables and disputed returned cables. The above items are saleable with further processing and re-testing to the same or other customers. Due provision is made in respect of non-moving/ slow moving WIP inventories wherever necessary.

**NOTE NO. 36:**

a. The Componentization of Fixed Assets have already been done at the time of capitalization of Fixed Assets. Further Componentization of Fixed Assets, at present is not technically felt appropriate by the Company.

b. As stipulated in Ind AS - 36, the company is of the view that assets employed in continuing business are capable of generating adequate returns over their useful life in the usual course of business. There is no indication to the company of impairment of any asset and accordingly the Management is of the view that no impairment provision is called for during the year.



**NOTE NO. 37:**

The Company is manufacturing OF cables only and no other business was undertaken during the year 2022-23.

**NOTE NO. 38:**

**Contingent Liabilities (Indian Rupees in Hundreds)**

(a) Claims against the company not acknowledged as debt:

(i) Commercial Tax Department had demanded a sum of Rs.1,86,088 as Additional Sales Tax in respect of Financial Year 2000-2001 and 2001-2002 (up to November 2001). The company has obtained a Stay from Madras High Court against the collection of above demand by depositing a sum of Rs.75,000 with Commercial Tax Department as directed by the High Court while granting the stay. As the demand is disputed, the same is not provided for in the accounts. The case came up for hearing during November, 2011 and directions were issued to post the case along with the writ appeal before the Bench in another similar case where the judgment is in favour of the assessee. The writ petitions were heard by High Court, Madras, on 02-09-2015 and on 09-09-2015. On hearing the argument single Judge of High court Madras reserved the judgement. Orders are still not given by the Court.

(ii) The Sales Tax department has demanded a sum of Rs. 22,950 during the financial year 2006-07 for non-submission of "C" Forms from BSNL / MTNL pertaining to AY 2001-02, 2002-03 and 2003-04. The Government has exempted "C" forms in respect of inter-state sales to BSNL / MTNL. The company has represented to the Department and also referred the matter to BSNL / MTNL. Next hearing date is not yet fixed.

(iii) The Customs Authority has demanded an amount of Rs. 102,067 towards difference in classification of Optical Fibre during the year 2006-07. However, the order of the Commissioner of Customs has come in favour of the Company during the year 2009-10 dropping the proceedings. Department has gone for appeal against the order. The company has filed the Counter. The Tribunal vide its Final Order dated 19/12/2017 remanded the matter back to the Commissioner for fresh decision after the outcome of the case pending in Supreme Court on the issue of jurisdiction of DRI to issue the notice. As such, the issue has to be argued and decided afresh.

(iv) There is a demand from IT department for Rs.29,052 towards short deduction of TDS against interest payable to TCIL. The Company have represented the case with IT Department.

(v) Total penalty amounting to Rs. 47,766 is levied by BSE and NSE stock exchanges pursuant to noncompliance with SEBI (Listing Obligations and Disclosure Requirements) during the year 2018-19 and Rs. 38,373 during the year 2019-20. The company has made written representation to the stock exchanges for waiver of this penalties.

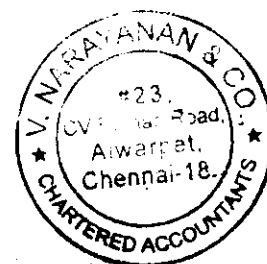
(vi) There is a IT demand for the AY 2009-2010, of Rs.2,978.

**b. Guarantees(Indian Rupees in Hundreds)**

Guarantees arranged by TCIL in favour of the Company and issued by Banks, outstanding as at March 31, 2023 is Rs.4,09,877 including expired Bank Guarantees to the extent of Rs. 21,877 (previous year Rs. 5,12,047 including expired Bank Guarantees to the extent of Rs. 1,02,169)

**NOTE NO. 39:(Indian Rupees in Hundreds)**

The Sales Tax department has demanded a sum of Rs. 45,835/- during the financial year 2018-19 pertaining to the years 2011-12 to 2015-16 for Tax on non-submission of C forms Rs. 14,354/-, ITC Reversal for CST sales without C forms Rs. 27,793/-, Tax on cross verification of buyer and seller Rs.3,430/- and TN vat 14.50% on disposal of movable assets Rs. 257/-. Provision for the same has been made in the books of accounts.



**NOTE NO.40:****Commitments**

(a) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for during the year is Rs. 'Nil' (previous year Rs. 'Nil').

(b) Uncalled liability on shares and other investments which are partly paid up during the year is Rs.'Nil' (previous year Rs.'Nil')

**NOTE NO.41:**

The Company has no long term operating lease. No financial lease has been availed during the year.

(Indian Rupees in Hundreds)

**NOTE NO.42:**

A writ petition has been filed by the Company in Madras High Court during the year 2008 against BSNL for reducing the awarded rate during the scheduled delivery period, in one of their orders without giving effect to BSNL's amendment to the 'Fall clause' applicable from 01.08.2005. BSNL has rejected and returned the differential claim invoice of the company for Rs.1,39,913. The case was disposed off by Madras High Court rejecting our claim. However, the company had decided to make an second appeal.

**NOTE NO.43: Earnings per share**

Particulars	2022-23	2021-22
Total Comprehensive Income as per Statement of profit and loss (Rs. in hundreds)	(11,82,900)	(10,49,547)
Weighted average number of equity shares used as denominator for calculating EPS	4,56,76,200	4,56,76,200
Basic and diluted earnings per share (Rs. in hundreds)	-2.59	-2.30
Face value per equity share (Rs. in hundreds)	10	10

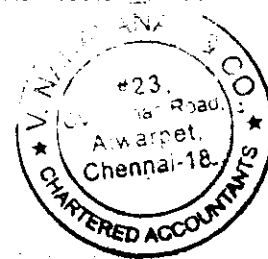
**NOTE NO.44:**

(i) A civil suit has been filed by the company in Delhi High court on 31.03.2011 to stay the Advance Purchase Order issued by BSNL, HQ for supply of 42000 KMs of OFC. This is in addition to the purchase order issued during January, 2011 for supply of 18000 KMs. The order for OFC supply is with Nylon 12 jacketing and subsequently BSNL has changed the specification with HDPE Double sheathing. During the year 2011-12 BSNL has floated tender for 42000 KMs with the new specification. Initially the case was filed in Delhi High Court against the APO. Now the matter is transferred from Delhi High court to District court (Patiala House) for deciding the APO. The both PBGs are kept alive as per Court direction. The rejoinder before Supreme Court was submitted. Last hearing was held in 06.03.2017, but again the matter appeared in the court and arguments held and stay on award will continue till the High court decides over limitation issue. For the further proceedings case is transferred to High Court.

(ii)The Company has invoked Arbitration Clause during the year 2014-15 in respect of BSNL's short closure of the PO for supply of 18000 kms. The case is in progress under the Supreme Court of India. The next hearing date is not fixed.

**NOTE NO.45:**

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure relating to amounts unpaid as at the year- end together with interest paid / payable under this Act could not be ascertained.





**NOTE NO.46:**

Related Party Disclosures: Disclosures as required by the Ind AS-24 "Related Party Disclosures" are as given below:

**List of Related Parties:****Holding Company**

Telecommunications Consultants India Ltd., (including fellow subsidiaries), Equity Partner  
(Referred to as "TCIL")

**Associate Company**

Fujikura Ltd., Japan, Technical Collaborator & Equity Partner

**Key Managerial Personnel\***

1. Shri. J. Ramesh Kannan, Managing Director & CFO (deputed from TCIL) (from 25.08.2021)
2. Smt. Swapnil Gupta, Company Secretary (deputed from TCIL) (from 13.02.2019)

**Transaction with Related Parties**

(Indian Rupees in Hundreds)

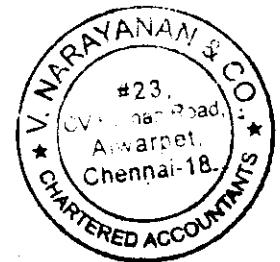
Nature of Transactions	Fujikura Ltd. Japan		TCIL (including fellow subsidiaries)		Managerial Remuneration	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
01. Interest charged on Loan from TCIL	-	-	9,19,234	8,19,923	-	-
02. Managerial Remuneration	-	-	-	-	58,887	96,616



**Balances with Related Parties**

(Indian Rupees in Hundreds)

Nature of Transactions	Fujikura Ltd. Japan		TCIL (including fellow subsidiaries)		Managerial Remuneration	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
<b>Due from:</b>						
01. Gratuity receivable for deputed TTL employees	-	-	68,823	51,304	-	-
02. Trade Receivable (Net off Provision for Doubtful Debts)	-	-	1,20,947	1,98,621	-	-
03. Provision for Doubtful debts:						
Opening balance	-	-	11,003	11,003	-	-
Current year	-	-	79,257	-	-	-
Closing balance	-	-	90,259	11,003	-	-
<b>Due to:</b>						
01. Secured Long Term borrowings outstanding as on 31 <sup>st</sup> March	-	-	11,65,730	11,65,730	-	-
02. Working Capital Loan outstanding as on 31 <sup>st</sup> March	-	-	20,10,685	18,71,417	-	-
03. Secured Trade payables towards Raw Material support As on 31 <sup>st</sup> March	-	-	52,25,854	52,25,854	-	-
04. Other Financial liabilities outstanding as on 31 <sup>st</sup> March	2,06,756	2,00,306	6,65,061	6,63,012	-	-
05. Interest Payable on Loan outstanding as on 31 <sup>st</sup> March	-	-	55,74,513	46,55,278	-	-



(Indian Rupees in Hundreds)

**NOTE NO.47:**

Salaries and Wages consists of Remuneration paid to the following persons who are deputed by the holding company TCIL.

1) Ramesh Kannan, designated as Managing director & CFO	Rs.	42,238
2) Swapnil Gupta, designated as Company secretary	Rs.	16,649
Total	Rs.	58,887

The remuneration has been paid by the Holding company TCIL and the company accounted the expenditure based on the debit advice issued by the TCIL. Hence, section 197 of Companies Act, 2013 will not be applicable as the above persons are not employees on the roll of the company.

(Indian Rupees in Hundreds)

**NOTE NO.48:**

In view of the commitment by the company to pay Telecommunications Consultants India Limited (the holding company) on demand basis, the company has taken a conservative approach to reflect the amount due of Rs.1,46,41,843 (previous year Rs.1,35,81,291) at book value and not at fair value. Further since the aforesaid financial liabilities are current in nature there would only be an immaterial finance cost/income involved, on account of restatement of the balances to fair value.

(Indian Rupees in Hundreds)

**NOTE NO.49:**

On 16.08.2021, theft took place in the Electrical Substation of the company's factory located at Maraimalai nagar, Chengalpattu District. Bus bars and accessories were stolen from two transformers, HT & LT panels and the electrical substation unit is in a damaged condition. A complaint has been filed in the local police station against which an FIR copy is also received. The company has also submitted for insurance claim with the Insurance company and it is in process. The valuation for the insurance claim was done by a professional Valuer, who has given an estimated valuation of Rs.48,970 for the assets that were stolen. The same has been claimed for insurance, however there is no confirmation in this regard from the New India Assurance Company till date, which has been continuously followed up.

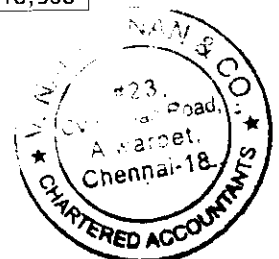
**NOTE NO.50:**

Particulars of Imports, Consumption etc.,

- (a) Value of imports during the year- CIF Basis is nil ( previous year nil)
- (b) Expenditure in foreign currency during the year (on payment basis) is nil.( previous year nil)
- (c) Consumption of imported and indigenous raw materials, spare parts and components is nil.  
(previous year nil)
- (d) Amount remitted in foreign currency during the year is nil.( previous year nil)
- (e) Earnings in Foreign exchange (on realization basis) is nil.( previous year nil)
- (f) Dividends proposed to be distributed is nil.( previous year nil)
- (g)Raw Materials Consumed is nil.( previous year nil)
- (f) Amount payable / receivable in Foreign Currency (unhedged) on account of the following:

(Rupees in Hundreds)

Particulars	2022-23		2021-22	
	Foreign Currency	Amount	Foreign Currency	Amount
Import creditors / Technology transfer fee	USD 191,690.00	1,57,512	USD 191,690.00	1,45,148
Export Debtors	USD 24,522.29	20,150	USD 24,522.29	18,568



## **51 Additional Regulatory Disclosure Requirement**

### **51.1 Details of Immovable Property not held in name of company**

The Company does not have any Immovable property not held in the name of the Company. However, Immovable property of 7.36 acres situated at maraimalai nagar, has been allotted to the company by the Government of Tamilnadu, by issuing a land delivery receipt note which constitutes as property held in the name of the Company.

### **51.2 Investment Property:**

The company does not have any Investment property as on 31.03.2023

### **51.3 Revaluation of Property, Plant & Equipment**

The company has not revalued its Property Plant & Equipment during the current year.

### **51.4 Revaluation of Intangible Assets**

The company does not have any Intangible assets as on 31.03.2023

### **51.5 Loans Granted to Related Parties**

The Company has not granted any loans to related parties as on 31.03.2023

### **51.6 Capital Work in Progress**

The Company does not have any capital work in progress as on 31.03.2023

### **51.7 Intangible Assets Under Development**

There are no Intangible assets under development during the year.

### **51.8 Benami Property**

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

### **51.9 Secured loans**

The Company has not availed any borrowings on security of current assets from banks or financial institution as on 31.03.2023.

### **51.10 Willful Defaulter**

The company is not a declared wilful defaulter by any bank or financial institution or other lender.

### **51.11 Relationship with Struck off Companies:**

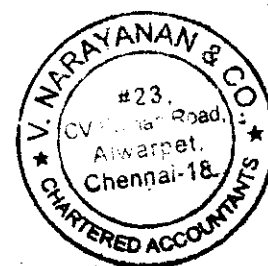
The Company do not have any transaction with the Struck off Companies.

### **51.12 Registration of Charges:**

There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

### **51.13 Compliance with Number of Layers of Companies**

Since the company does not have layers of holding beyond prescribed limit , the disclosure of number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules,) 2017 is not applicable.



## 51.14 Ratios

(Rs. In Hundreds)

S.No	Particulars	Formula	31-Mar-23	31-Mar-22	% Variance	Reason for variance more than 25%
			Ratio	Ratio		
1	Current ratio	Current assets/ Current liabilities	6.84%	7.75%	11.71%	
2	Debt-equity ratio	Total debt/ Shareholder's Equity	-21.47%	-22.15%	3.08%	
3	Debt service coverage ratio	Earnings available for debt service/ Debt Service	-27.08%	-23.61%	-14.67%	
4	Return on equity ratio	[Net Profits after taxes - Preference Dividend (if any)]/ Average Shareholder's Equity	7.61%	7.96%	4.49%	
5	Inventory turnover ratio	Cost of goods sold OR sales/ Average Inventory	NA			
6	Trade receivables turnover ratio	Net Credit Sales/ Average Accounts Receivable	NA			
7	Trade payables turnover ratio	Net Credit Purchases/ Average Trade Payables	NA			
8	Net capital turnover ratio	Net Sales/ Working Capital	NA			
9	Net profit ratio	Net Profit/ Net Sales	NA			
10	Return on capital employed	Earnings before interest and taxes/ Capital Employed	1.21%	1.64%	26.43%	Due to Increase in Interest expenditure
11	Return on investment	Net Income/Capital Invested	NA			

## 51.15 Compliance with approved schemes of Arrangements:

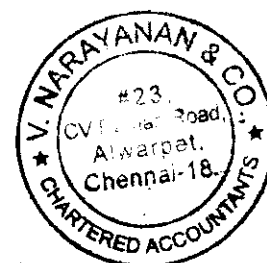
The company has no approved scheme of arrangements as on 31-03-2023 by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

## 51.16 Utilization of Borrowed funds and share premium:

- a) The company has not advanced or loaned or invested funds to any other persons or entities with the understanding that the Intermediary shall-
  - i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  
- b) The company has not received funds from persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall-
  - i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

## 52 Undisclosed Income

The company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of accounts in the tax assessments under the Income Tax Act, 1961 (43 of 1961) as income during the year and in previous year.



**53 Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**54** Previous year figures have been regrouped and reclassified wherever required.


As per our report of even date attached

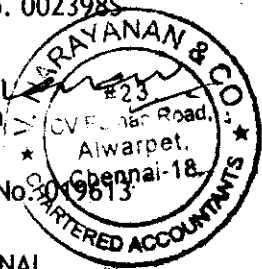
V Narayanan & Co

Chartered Accountants

Firm Regn No. 0023985

For and on behalf of Board of Directors

  
S U Sridharan,  
Partner  
Membership No. 019613



  
J. Ramesh Kannan  
Managing Director & CFO

  
D. Porpathasakaran  
Chairman

Place : CHENNAI

Date : 30th May 2023

  
Swapnil Gupta  
Company Secretary