

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

Regd. Office : Jeevan Bharti Building, Tower-1 , 12 th Floor, 124, Connaught Circus, New Delhi-110001

UNAUDITED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 31/03/2011

Annexure A

(Rs. in Million)

S.No.	Particulars	3 Months ended 31/03/2011	Corresponding 3 Months ended 31/03/2010 in the previous year	Year to date figures for Current period ended 31/03/2011	Year to date figures for previous year ended 31/03/2010	Year Ended 31/03/2010
		UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	AUDITED
1	2	3	4	5	6	7
1	(a) Net Income from Operations	8,077.62	8,483.31	37,368.57	36,561.00	36,561.00
	(b) Other Operating Income	472.52	518.96	1,043.56	1,249.03	1,249.03
	Total Income	8,550.14	9,002.27	38,412.13	37,810.03	37,810.03
2	Expenditure					
	(a1) Staff Cost other than retirement benefits	4,250.49	11,291.15	17,041.01	19,681.41	19,681.41
	(a2) Staff Cost for retirement benefits (Actual payouts)	959.39	735.60	3,400.00	2,610.53	2,610.53
	(a3) Staff Cost for retirement benefits (Provisions)	4,084.87	15,050.41	11,991.87	27,370.56	27,370.56
	(b) Revenue Sharing	1,157.60	869.37	4,549.77	5,256.78	5,256.78
	(c) Licence Fees & Spectrum Charges	634.26	5,200.83	3,283.07	4,105.72	4,105.72
	(d) Admn./Operative Expenditure	2,320.29	2,101.76	8,861.65	8,134.74	8,134.74
	Total Expenditure	13,406.89	35,249.12	49,127.36	67,159.74	67,159.74
3	Earnings from Operations before Other Income, Interest, Depreciation & Amortisation & Exceptional Items (1-2)	(4,856.76)	(26,246.85)	(10,715.24)	(29,349.72)	(29,349.72)
4	Depreciation & Amortisation	3,680.14	1,937.76	14,160.03	17,594.94	17,594.94
5	Profit / (Loss) from Operations after Depreciation & Amortisation but before Other Income, Interest & Exceptional Items (3-4)	(8,536.89)	(28,184.62)	(24,875.26)	(46,944.66)	(46,944.66)
6	Other Income	(1,009.49)	7,200.44	1,100.06	12,768.20	12,768.20
7	Profit / (Loss) before Interest & Exceptional Items (5+6)	(9,546.38)	(20,984.18)	(23,775.20)	(34,176.46)	(34,176.46)
8	Interest	1,442.36	0.96	4,518.73	12.61	12.61
9	Profit / (Loss) after Interest but before Exceptional Items (7-8)	(10,988.74)	(20,985.14)	(28,293.93)	(34,189.07)	(34,189.07)
10	Exceptional Items	-	-	-	-	-
11	Profit/ (Loss) from ordinary activities before tax (9-10)	(10,988.74)	(20,985.14)	(28,293.93)	(34,189.07)	(34,189.07)
12	Tax expense					
	a. Provision for Current Tax	0.45	0.47	1.82	1.82	1.82
	b. Taxes for earlier period written back/paid	-	(4,983.51)	-	(4,879.71)	(4,879.71)
	b. Provision for Deferred Tax	-	(255.44)	-	(3,552.96)	(3,552.96)
13	Net Profit/ (Loss) from ordinary activities after tax (11-12)	(10,989.19)	(15,746.65)	(28,295.75)	(25,758.22)	(25,758.22)
14	Extraordinary Items /Prior Period Adj.(net of tax)	6.61	(9.06)	(26.23)	351.50	351.50
15	Net Profit/ (Loss) for the period (13-14)	(10,995.79)	(15,737.59)	(28,269.51)	(26,109.72)	(26,109.72)
16	Paid up equity share capital (Face value of Rs.10/-each.)	6,300.00	6,300.00	6,300.00	6,300.00	6,300.00
17	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year					111,714.10
18	Earning Per Share (EPS)					
	(a) Basic and Diluted EPS before Extraordinary items for the period	(17.44)	(24.99)	(44.91)	(40.89)	(40.89)
	(b) Basic and Diluted EPS after Extraordinary items for the period	(17.45)	(24.98)	(44.87)	(41.44)	(41.44)
19	Public Shareholding					
	a) Number of shares	275,627,260	275,627,260	275,627,260	275,627,260	275,627,260
	b) Percentage of shareholding	43.75%	43.75%	43.75%	43.75%	43.75%
20	Promoter and promoter group Shareholding					
	a) Pledged/Encumbered					
	- Number of shares	0	0	0	0	0
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00%	0.00%	0.00%	0.00%	0.00%
	- Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	0.00%	0.00%	0.00%
	b) Non encumbered					
	- Number of shares	354,372,740	354,372,740	354,372,740	354,372,740	354,372,740
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	56.25%	56.25%	56.25%	56.25%	56.25%

Notes:

- The above results have been reviewed and recommended for adoption by the Audit Committee in their meeting held on 12.05.2011 and approved by the Board of Directors of the Company at their meeting held on 12.05.2011. The Statutory Auditors have carried out a Limited Review of the financial results as required under Clause-41 of the Listing Agreement.
- The above results have been finalised considering for retirement benefits, discounting factor @ 8.50% in accordance with the yield of Central Government Securities, 4% increase in Dearness Relief of Pension, 3.50% on salary escalation and 0.50% on attrition rates as confirmed by the Actuary, based on revised wages and salaries and retirement benefits i.e. 20 years instead of 33 years for the purpose of full pension.
- One time charges on account of 3G spectrum and BWA liability of Rs.110979.70 million has been accounted for as Intangible assets as per AS-26 & amortized over 20/15 years respectively on straight line basis. Accordingly, amount of Rs.1576.15 million is amortized for the quarter ending 31.03.2011.
- An amount of Rs.1107.53 million booked as Interest income on Income Tax Refund booked upto 3rd quarter of FY 2010-11 has been reversed on partial reconciliation with the Income Tax Department.
- An amount of Rs.3014.80 million is accounted for by MTNL towards wet lease for infrastructure and other services provided by MTNL in respect of Commonwealth Games during the year out of which Rs.2420 million has been received during the year.
- Previous period/year figures have been regrouped/ rearranged wherever necessary.
- The status of investor complaints received and disposed off during this quarter ended on 31/03/2011 is as under:
Complaints pending at the beginning of the quarter -
Complaints received during this quarter - 6
Complaints disposed off during this quarter - 6
Complaints lying unresolved at the end of the quarter -

As per report of even date

For and on behalf of the Board

For Bansal Sinha & Co.
Chartered Accountants
FRN 06184N

(Ravinder Khullar)
(Partner)
M. No. 082928

For Goel Garg & Co.
Chartered Accountants
FRN 00297N

(Ajay Rastogi)
(Partner)
M. No. 084897


Kuldip Singh
Chairman & Managing Director

Place : New Delhi
Date : 12.05.2011

UNAUDITED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE THREE MONTHS ENDED ON 31/03/2011

(Rs. in Million)

S.No.	Particulars	3 Months ended	Corresponding 3	Year to date	Year to date	Previous
		31/03/2011	Months ended	figures for	figures for	accounting year
		UNAUDITED	31/03/2010 in the	Current period	previous year	ended 31/3/2010
1	2	3	4	5	6	7
		UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	AUDITED
1.	Segment Revenue					
	a. Basic Services	6,550.39	6,995.51	31,170.81	30,035.98	30,035.98
	b. Cellular	1,581.00	1,839.71	6,488.06	7,057.57	7,057.57
	c. Unallocated	-	-	-	-	-
	Total	8,131.40	8,835.22	37,658.88	37,093.55	37,093.55
	Less: Inter Segment Revenue	53.78	351.91	290.31	532.55	532.55
	Net Income from Operations	8,077.62	8,483.31	37,368.57	36,561.00	36,561.00
2.	Segment Results (Profit / (Loss) before tax and interest from each segment)					
	a. Basic Services	(6,014.62)	(4,669.01)	(19,780.95)	(33,399.54)	(33,399.54)
	b. Cellular	(1,003.81)	370.56	(3,464.75)	347.38	347.38
	c. Unallocated	(2,527.95)	(16,685.72)	(529.50)	(1,124.30)	(1,124.30)
	Total	(9,546.38)	(20,984.18)	(23,775.20)	(34,176.46)	(34,176.46)
	Less: (i) Interest	1,442.36	0.96	4,518.73	12.61	12.61
	Less: (ii) Prior Period Items	6.61	(9.06)	(26.23)	351.50	351.50
	Total Profit / (Loss) before tax	(10,995.34)	(20,976.08)	(28,267.69)	(34,540.57)	(34,540.57)
	Less: (i) Provision for Current Tax	0.45	0.47	1.82	1.82	1.82
	Less: (ii) Provision for Deferred Tax	-	(255.44)	-	(3,552.96)	(3,552.96)
	Less: (iii) Taxes for earlier period written back/paid	-	(4,983.51)	-	(4,879.71)	(4,879.71)
	Total Profit / (Loss) after tax	(10,995.79)	(15,737.59)	(28,269.51)	(26,109.72)	(26,109.72)
3.	Capital Employed					
	(Segment Assets - Segment Liabilities)					
	a. Basic Services	38,578.42	18,936.08	38,578.42	42.87	42.87
	b. Cellular	68,662.36	10,297.15	68,662.36	10,425.13	10,425.13
	c. Unallocated	(41,008.61)	68,538.56	(41,008.61)	84,015.97	84,015.97
	Total	66,232.16	97,771.79	66,232.16	94,483.97	94,483.97
Place : New Delhi						
Date : 12.05.2011						