## 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 REVIEWED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 31/12/2011

				0	Van: 1- 1-1-	Vone de dede	(Rs. in Million) Previous
S. No.	Particulars	3 Months ended 31/12/2011	Previous 3 Months ended 30/09/2011	Corresponding 3 Months ended 31/12/2010 in the previous	Year to date figures for Current period ended	Year to date figures for previous year ended	accounting year ended 31/03/2011
				year	31/12/2011	31/12/2010	
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED 6	UNAUDITED 7	AUDITED 8
1	2	3	4	5	0	· · · · · · · · · · · · · · · · · · ·	
1	(a) Net Income from Operations	8,520.97	8,606.47	9,225.22	25,259.26	29,290.95	36,739.52
	(b) Other Operating Income	226.72	353.93	287.06	878.99	571.04	1,230.74
	Total Income	8,747.68	8,960.40	9,512.28	26,138.24	29,861.99	37,970.26
2	Expenditure	4,437.42	4,234.08	4,781.88	13,078.21	12,790.52	17,103.38
	(a1) Staff Cost other than retirement benefits (a2) Staff Cost for retirement benefits (Actual Payouts)	1,029.30	1,236.19	750.96	3,347.05	2,440.61	3,477.84
	(a3) Staff Cost for retirement benefits (Provisions)	2,765.90	2,541.38	2,595.67	8,297.75	7,907.00	12,004.26
	(b) Revenue Sharing	1,056.41	1,290.05	1,186.43	3,419.22	3,392.17	4,432.46
	(c) Licence Fees and Spectrum Charges	715.93	722.23	908.41	2,134.01	2,648.81	3,211.22
	(d) Admn./Operative Expenditure	2,102.13	1,769.04	2,240.93	5,379.80	6,541.36	8,817.38
	Total Expenditure	12,107.08	11,792.97	12,464.29	35,656.03	35,720.48	49,046.55
3	Earnings from Operations before Other Income, Interest, Depreciation & Amortisation & Exceptional Items (1-2)	(3,359.40)	(2,832.57)	(2,952.00)	(9,517.79)	(5,858.48)	(11,076.29)
4	Depreciation & Amortisation & Exceptional items (1-2)	3,681.60	3,586.61	3,606.31	10,832.33	10,479.89	14,101.48
5	Profit / (Loss) from Operations after Depreciation & Amortisation	0,007.00	0,022.2		,		
	but before Other Income, Interest & Exceptional Items (3-4)	(7,040.99)	(6,419.18)	(6,558.31)	(20,350.11)	(16,338.37)	(25,177.77)
6	Other Income	195.93	130.17	1,167.94	575.11	2,109.55	1,949.70
7	Profit / (Loss) before Interest & Exceptional Items (5+6)	(6,845.06)	(6,289.02)		(19,775.00)		(23,228.07)
8	Interest Co.	2,593.77	2,350.38	1,359.83	6,803.11	3,076.37	4,519.46
9	Profit / (Loss) after Interest but before Exceptional Items (7-8)	(9,438.83)	(8,639.39)	(6,750.20)	(26,578.11)	(17,305.19)	(27,747.53)
10 11	Exceptional Items Profit/ (Loss) from ordinary activities before tax (9-10)	(9,438.83)	(8,639.39)	(6,750,20)	(26,578.11)	(17,305.19)	(27,747.53)
12	Tax expense	(3,430.03)	(0,000,09)	(0,750.20)	(20,0/0.11)	(11,000,18)	(21,171,33)
16	(a) Provision for Current Tax	0.48	0.47	0.46	1.43	1,37	1.91
	(b) Taxes for earlier period written back/paid	0.40	-	-	-		285.38
	(c) Provision for Deferred Tax		-	-	-	-	-
13	Net Profit/ (Loss) from ordinary activities after tax (11-12)	(9,439.31)	(8,639.87)	(6,750.66)	(26,579.54)	(17,306.56)	(28,034.82)
14	Extraordinary items/ Prior Period Adjustments (net of tax )	(141.58)	1.98	(40.20)	(139.54)	(32.84)	(15.67)
15	Net Profit/ (Loss) for the period (13-14)	(9,297.73)	(8,641.85)	(6,710.46)	(26,440.00)	(17,273.72)	(28,019.15)
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	6,300.00
17	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year						60,164.81
18	Earning Per Share (EPS)			L			
. 10	(a) Basic and Diluted EPS before Extraordinary items for the period	(14.98)	(13.71)	(10.72)	(42.19)	(27.47)	(44.50)
-	(b) Basic and Diluted EPS after Extraordinary items for the period	(14.76)	(13.72)	(10.65)	(41.97)	(27.42)	(44.47)
19	Public Shareholding	(14.70)	(10.72)	(10.00)	(11.07)	(5,7,7,2)	(11717)
	a) Number of shares	275,627,260	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%	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%	0.00%
	- Percentage of shares (as a % of the total share capital of the	0.00%	0.00%	0.00%	0.00%	0.0070	0.0070
	company)	0.00%	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	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%	100.00%
	- Percentage of shares (as a % of the total share capital of the	50.050	56 050V	50 050V	E0.050/	E6.050/	E6 0E9
	company)	56.25%	56.25%	56.25%	56.25%	56.25%	56.25%
Notes							
1	The above results have been reviewed and recommended for adoption be Company at their meeting held on 10.02.2012. The Statutory Auditors ha Agreement.	ave carried out a L	imited Review of t	he financial results	as required unde	r Clause-41 of th	e Listing
	The above results have been finalised by providing for retirement benefit in dearness relief of pension, 3.50% on salary escalation & 0.50% on att 31.03.2011.	rition rates as per					
3 4	Previous period/year figures have been regrouped/ rearranged wherever The status of investor complaints received and disposed off during this		31 12 2011 is as u	nder		L	
4	Complaints pending at the beginning of the quarter	quarter ended on i	ا ال ال عاد ال ال ال عاد ال	o 0			
	Complaints received during this quarter		<del></del>	4			
		-					
	Complaints disposed off during this quarter  Complaints lying unresolved at the end of the quarter			4	-		
	complaints lying unlessived at the end of the quarter			0			
	As per report of even date				For and on beha	If of the Roard	
	, to per report or even date			1	. or wild oil bella	o. ale board	
						TOY	<del></del>
	For Bansal Sinha & CO For Arun K. Agarwal & Associate	s			A.K.	arg /	
	Chartered Accountants Chartered Accountants				Chairman & Man	aging Director	
	FRN 006184N FRN 003917N						
	No.Al						
	Cediti						
	(Ravinder Khullar) (Adial Kurgar Jain)						
	(Partner) (Partner)						
	M. No. 082928 M. No. 071255	- i					
	- O W						
lace :	New Delhi						
)ate : 1	0.02.2012 UTANTS 2						

S. No. Particulars (a) Months ended (b)		MTNL'S REVIEWED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE THREE MONTHS ENDED ON 31/12/2011	UE, RESULTS AN	D CAPITAL EMPL	OYED FOR THE T	HREE MONTHS EN	IDED ON 31/12/20	111
3 Months ended   Previous 3   Corresponding   Varit of all the control particulars   31/12/2011   Months ended   Taylor   31/12/2011   Months ended   Taylor   131/12/2011   Months ended   Taylor   Ended 31/12/2   End								(Rs. in Million)
Particulars    2			3 Months ended	Previous 3	Corresponding	Year to date	Year to date	Previous
DINALIDITED   UNAUDITED   UN	Q.	ovel 1 of the O	31/12/2011	Months ended	3 Months ended	figures for Current period	figures for previous year	accounting year ended 31/3/2011
UNAUDITED   UNAU	j j				previous year	ended 31/12/2011	ended 31/12/2010	
Section			UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
Basic Services   6,782.76   6,796.62   7,624.41   20,077     Cellular	-	2	3	4	5	9	7	8
Services   G.782.76   G.782.41   20,077	,	Seement Devenie						
1,509.46   1,677.59   1,630.73   5,401	_	<b>7</b> 1	6 782 76	6 796 62	7.624.41	20.077.66	24.620.42	30,899.69
egment Results (Profit / Loss) before tax  Net Income from Operations 8,520.97 8,606.47 9,255.22 25,259  egment Results (Profit / Loss) before tax  In interest ach segment)  Ses: (ii) Prior Period Items  Total Profit / Loss) after tax  Total Employed  Total Employed  Total Total Total  Total Total Total  Total Total  Total Total  Total Total  Total		b Cellular	1.809.46	1.877.59	1,630.73	5,401.07	4,907.06	6,450.74
Sest   Inter Segment Revenue   Total   8,520.97   8,606.47   9,255.15   25,739		c. Unallocated			1			(164.18)
Net Income from Operations   8,520.97   8,606.47   9,225.22   25,259			8,592.22	8,674.20	9,255.15	25,478.73	29,527.49	37,186.25
Net Income from Operations   8,520.97   8,606.47   9,225.22   25,259		G set all a set a	27.00	07.73	60.00	71010	226 53	446 73
Net Income from Operations   8,520.97   8,606.47   9,225.22   25,259     Gament Results (Profit / (Loss) before tax diluterest from each segment)   (5,137.15)   (4,884.12)   (5,531.40)   (15,428     Basic Services		Less. Illei Segilleil Beveilde	07.17	67:10	76.67	1.013	2007	
Collular		Net Income from Operations	8,520.97	8,606.47	9,225.22	25,259.26	29,290.95	36,739.52
egment Results (Profit / (Loss) before tax  d interest from each segment)  c.5.321.40)  (6.5.31.40)  (7.6.6.81)  (1.17.96) (2.019 (2.0								
Basic Services	αi							
Cellular  Collular  Cellular  Cellular  Cellular  Cellular  Cellular  Cellul			(5,137.15)	(4,884.12)	(5,531.40)	(15,426.37)	(13,766.33)	(17,894.14)
Control of the cont		b. Cellular	(887.70)	(746.81)	(1,117.96)	(2,329.05)	(2,460.94)	
Total		c. Unallocated	(820.21)	(658.10)	1,258.99	(2,019.59)	1,998.45	
ess: (i) Interest 2,593.77 2,350.38 1,359.83 6,803 ess: (ii) Prior Period Items (141.58) 1,98 (40.20) (139 (40.20) (26,438 (40.20) (26,438 (40.20) (26,438 (40.20) (26,438 (40.20) (26,438 (40.20) (26,438 (40.20) (26,438 (40.20) (26,438 (40.20) (26,438 (40.20) (26,438 (40.20) (26,438 (40.20) (26,439 (40.20) (26,439 (40.20) (26,430 (40.20) (40.20) (26,430 (40.20) (40.20) (26,430 (40.20) (40.20) (26,430 (40.20) (40.20) (26,430 (40.20) (40		Total	(6,845.06)	(6,289.02)	(5,390.37)	(19,775.00)	(14,228.82)	2
ess: (ii) Prior Period Items  Total Profit (Loss) before tax  138 (40.20) (139  Total Profit (Loss) before tax  138 (40.20) (139  139 (40.20) (26,438  (6,710.00) (26,438  (6,710.00) (26,438  138: (ii) Taxes for earlier period written back adding the period written back and a total profit (Loss) after tax  139,476.54 (4,873.69) (4,1408.89  139,476.54 (4,873.69) (33,146.35) (20,321  139,476.54 (48,895.04) (7,153.55 (20,321  139,476.54 (48,895.04) (7,153.55 (20,321  139,476.54 (48,895.04) (7,153.55 (20,321  139,476.54 (20,321) (33,146.35) (20,321  139,476.54 (20,321) (33,146.35) (20,321  139,476.54 (20,321) (33,146.35) (20,321  139,476.54 (20,321) (20,321		Less: (i) Interest	2,593.77	2,350.38	1,359.83	6,803.11	3,076.37	4,5
Total Profit / (Loss) before tax		Less: (ii) Prior Period Items	(141.58)	1.98	(40.20)	(139.54)	(32.84)	
ses: (ii) Provision for Current Tax  ses: (iii) Provision for Deferred Tax ses: (iii) Provision for Deferred Tax ses: (iii) Taxes for earlier period written back aid  Total Profit / (Loss) after tax  Total Services  Segment Liabilities)  (7,040.92) (7,0		Total Profit / (Loss) before tax	(9,297.25)	(8,641.37)	(6,710.00)	(26,438.57)	(17,272.35)	(27,731.86)
ass: (ii) Provision for Current I ax  Ses: (iii) Provision for Deferred Tax  Ses: (iii) Provision for Deferred Tax  Ses: (iii) Provision for Deferred Tax  aid  Total Profit / (Loss) after tax  (9,297.73) (8,641.85) (6,710.46) (26,440  Basic Services  (1,040.92) (4,873.69) (4,873.69) (7,040  (13,719.62) (33,146.35) (20,321  Collular  Total 39,476.54 48,885.04 77,153.55 39,476  Callular  Collular  Collula								70.7
ses: (ii) Taxes for earlier period written back ses: (iii) Taxes for earlier period written back ses: (iii) Taxes for earlier period written back ses: (iii) Taxes for earlier period written back apital Employed segment Liabilities)  (7,040.92) (4,873.69) (6,710.46) (26,440  Basic Services (6,838.46 67,488.35 68,891.02 66,838  Unallocated Total 39,476.54 48,995.04 77,153.55 39,476  Callular Collular 39,476.54 48,995.04 77,153.55 39,476  Callular Collular Coll		Less: (I) Provision for Current I ax	0.48	0.47	0.46	1.43	1.37	T8.T
apital Employed  Total Profit / (Loss) after tax (9,297.73) (8,641.85) (6,710.46) (26,440 (26,440 apital Employed  Basic Services Cellular (7,040.92) (4,873.69) (1,408.89 (7,040 (20,321.00) (13,719.62) (33,146.35) (20,321 (10,3719.62) (33,146.35) (20,321 (10,3719.62) (33,146.35) (20,321 (10,3719.62) (33,146.35) (20,321 (10,3719.62) (33,146.35) (20,321 (10,3719.62) (33,146.35) (20,321 (10,3719.62) (33,146.35) (20,321 (10,3719.62) (33,146.35) (20,321 (10,3719.62) (33,146.35) (20,321 (10,3719.62) (33,146.35)		Less: (ii) Provision for Deferred Lax	•	•		1		•
Total Profit / (Loss) after tax   (9,297.73)   (8,641.85)   (6,710.46)   (26,440   26,440		Less: (III) I axes for earlier period written back	1	1	4	1	,	285.38
apital Employed       segment Liabilities)     (7,040.32)     (4,873.69)     41,408.89     (7,040       Basic Services     (6,838.46)     67,488.35     68,891.02     66,832       Cellular     (20,321.00)     (13,719.62)     (33,146.35)     (20,321.00)       Unallocated     Total     39,476.54     48,895.04     77,153.55     39,476       Company     Company     Company     Company     Company     Company			(9,297.73)	(8,641.85)	(6,710.46)	(26,440.00)	(17,273.72)	(28,019.15)
segment Assets - Segment Liabilities)         (7,040.32)         (4,873.69)         41,408.89         (7,040           Basic Services         (7,040.32)         (6,838.46)         66,838.46         66,838         66,838         66,838         66,838         1,3719.62)         (33,146.35)         (20,321           Unallocated         Total         39,476.54         48,895.04         77,153.55         39,476           Company         Comp	რ	Capital Employed						
Collular								
Cellular     66,838.46     67,488.35     68,891.02     66,838       Unallocated     (20,321.00)     (13,719.62)     (33,146.35)     (20,321.02)       Total     39,476.54     48,895.04     77,153.55     39,476       Annual Control     39,476.54     48,895.04     77,153.55     39,476		a. Basic Services	(7,040.92)	(4,873.69)	41,408.89	(7,040.92)	41,408.89	31.26
Unallocated (20,321,00) (13,719,62) (33,146,35) (20,321 (20,32		b. Cellular	66,838.46	67,488.35	68,891.02	66,838.46	68,891.02	68,652.67
Total 39,476.54 48,895.04 77,153.55 39,476			(20,321.00)	(13,719.62)	(33,146.35)	(20,321.00)	(33,146.35)	(2,219.11)
O		Total	39,476.54	48,895.04	77,153.55	39,476.54	77,153,55	66,464.81
0								
						FOL	ror and on benait of the Board	ine Board
							1	9
	Place: New D	lelhi					A K Gard	
	Date: 10.02.2	012				Chairr	Chairman & Managing Director	Director



BANSAL SINHA & CO. CO. CHARTERED ACCOUNTANTS 18/19 OLD RAJINDER NAGAR NEW DELHI-110060 PH. 25853424,25722270 FAX: 41046530 ARUN K AGARWAL & ASSOCIATES CHARTERED ACCOUNTANTS 105, SOUTH EX PLAZA-1, 389, MASJID MOTH, SOUTH EX PART - II. PH:011-26256810,26257400 FAX: 011-46035037

## LIMITED REVIEW REPORT

To The Board of Directors Mahanagar Telephone Nigam Limited

- We have reviewed the accompanying statement of unaudited financial results of Mahanagar Telephone Nigam Limited for the quarter/period ended December 31, 2011. This statement is the responsibility of the company's management and has been approved by the board of directors. Our responsibility is to issue a report on these financial statements based on our review.
- 2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 3. We draw attention to the Para No. 2 of the Reviewed quarterly results pertaining to retirement benefits of the employees of the company which has been accounted for on the estimated basis considering the actuarial assumptions of previous year, the issue being technical, we have relied on the estimation provided by the company and managements' perceptions in this regard.

In view of this we are unable to comment on the adequacy or otherwise of these provisions.

4. Based on our review conducted as above, except the observations/matters mentioned in Annexure-I to this report, no other matter has come to our attention, that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Bansal Sinha & Co.

**Chartered Accountants** 

FRN-06184N

(Ravinder Khullar)

(Partner)

(Mem No. 82928)

Place: New Delhi

Date: February 10, 2012

For Arun K Agarwal & Associates

**Chartered Accountants** 

FRN-003917

(Adish Kumar Jain)

(Partner)

(Mem No. 71255)

CHARTERS

CHARTERED CACCOUNTANTS

BANSAL SINHA & CO. CO. CHARTERED ACCOUNTANTS 18/19 OLD RAJINDER NAGAR NEW DELHI-110060 PH. 25853424,25722270 FAX: 41046530 ARUN K AGARWAL & ASSOCIATES CHARTERED ACCOUNTANTS 105, SOUTH EX PLAZA-1, 389, MASJID MOTH, SOUTH EX PART - II. PH:011-26256810,26257400 FAX: 011-46035037

## **ANNEXURE I TO LIMITED REVIEW REPORT**

## ANNEXED TO AND FORMING PART OF THE LIMITED REVIEW REPORT (Referred to in Para 4 of our report dated February 10, 2012

- 1. The company in its unaudited results for the quarter/period under review, has neither disclosed how the qualification made by the auditors in respect of previous accounting years/periods have been addressed and if the qualifications have not been resolved, the reasons therefore and the steps the company intends to take in such matters, nor it has given the impact of these qualifications on the unaudited results for the quarter/period under review, as required under the provisions of clause 41(iv)(c) of the Listing Agreement.
- 2. The License Fee to the DOT is being worked out on accrual basis as against the terms of License Agreements according to which the expenditure/deductions from the Gross Revenue are allowed on actual payment basis in respect of the Public Switching Telecom Network (PSTN) related call charges and roaming charges payable to BSNL and other service providers.
- 3. The balances appearing in Advance Tax, Provisions for Income Tax and Interest on income Tax Refund are subject to confirmation of the Income Tax Department.
- 4. The company has not made payments of service tax on billings to BSNL after the Point of Taxation Rules 2011, which requires the payment of service tax on accrual basis with effect from July 1, 2011. Besides, the company has also not made payments of service tax payable on receipt basis in respect of sundry debtors as on 30.6.2011 in Delhi Unit, after the Point of Taxation Rules 2011 with effect from July 1, 2011.
- 5. The company has allocated the establishment overheads towards capital works on estimation basis. In view of the large amount getting allocated on capital projects vis a vis actual amount spent on these projects, the basis needs to be made more realistic and scientific and the same should avoid capitalizing the loss due to idle time of labour and machines. Moreover, in the absence of confirmation of the status / completion of WIP (work in progress), we cannot examine authenticity and accuracy of amounts outstanding and shown as WIP for extraordinary time period.
- 6. All the receivables and payables including amount receivable/payable to BSNL/DOT/ITI, Inter Unit Accounts and bank balances are subject to confirmation, reconciliation and consequent adjustments. In the case of BSNL, the bills raised for the use of infrastructure services are not accepted by them, hence we cannot comment on the recoverability of the said amount. The company is not making any provision for old outstanding balances from BSNL, DOT, Govt. agencies and other operators.
- 7. The breakup of staff cost as made in reviewed financial results has been made by the management and relied upon by us.
- 8. The accounting policy for making provisions for bad and doubtful debts pertaining to CDMA unit has not been revised from three years outstanding to six months' outstanding despite of the same being transferred from Basic to Cellular services.





BANSAL SINHA & CO. CO. CHARTERED ACCOUNTANTS 18/19 OLD RAJINDER NAGAR NEW DELHI-110060 PH. 25853424,25722270 FAX: 41046530 ARUN K AGARWAL & ASSOCIATES CHARTERED ACCOUNTANTS 105, SOUTH EX PLAZA-1, 389, MASJID MOTH, SOUTH EX PART - II. PH:011-26256810,26257400 FAX: 011-46035037

- 9. The loss on account of subscriber's instruments for WLL closed connections within last three years has not been ascertained and provided for.
- 10. The company has sent material worth Rs.95.35 million to BSNL on barter basis for which corresponding material of Rs.2.45 Millions is only received from BSNL. As the transfer is in the nature of sales yet the same has not been shown as such and no sales tax has been charged by the company on such transfers.
- 11. Based on the expert opinions, the company has not been deducting Tax at source on services received from BSNL. Also, the expenditure on account of Pension liability on the basis of actuarial valuation is considered as an allowable expense for the purpose of tax calculation.
- 12. The provision for employee's benefits as per Accounting Standard 15 (Revised) and depreciation has been made on estimated basis. Pending actual determination of the liability/asset in this regard. The impact of the same on the results of the quarter is not ascertainable. Further, the liability on account of medical facilities to the retired employees has not been accounted for on actuarial basis rather the annual insurance premium paid for the policy for the purpose has been accounted for on year to year basis.
- 13. The reconciliation of Subscribers' deposits, Sundry Debtors, Income from Recharge Coupons, ITC Cards, prepaid calling cards and stock of recharge coupons and leased circuits is under progress.
- 14. The Company had accounted for Rs.3014.80 million during the previous year 2010-11, towards wet lease for infrastructure and other services provided in respect of Commonwealth Games of which Rs.430 million is subject to acceptance and final settlement. Besides, a claim of Rs.410 million has not been booked subject to final acceptance and settlement.
- 15. The Fixed Assets redeployed out of the Commonwealth Games Project to Delhi and Mumbai units are yet to be made fully operational in both the units, therefore, we are unable to comment on the impairment or further liability that would accrue for making the same fully operational.
- 16. The overall impact of matters referred to in above paras on the results of the company is not determinable.

For Bansal Sinha & Co. Chartered Accountants

FRN-06184N

(Ravinder Khullar)

(Partner)

(Mem No. 82928)

Place: New Delhi

Date: February 10, 2012

For Arun K Agarwal & Associates

Chartered Accountants

FRN-903917

(Adish Kumar Jain)

(Partner)

(Mem No. 11255)