TAMILNADU TELECOMMUNICATIONS LIMITED

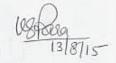
(A Joint Venture of TCIL, Govt.of India Enterprise & TIDCO, Govt.of Tamilnadu Enterprise)

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Unaudited Financial Results for the Quarter ended 30th June 2015

SI.No	Particulars	(Amounts in Lakhs of Rupees) Three Months ended Year ended				
		30th June 2015 31st March 2015 30th June 20				
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	Income from Operations				V. HELISEN	
	(a) Net Sales / Income from Operations (Net		WORK-OW.			
	of Excise Duty)	221.63	390.55	267.01	1,413.09	
	(b) Other Operating income  Total Income from Operations (Net)	1.46	0.46	0.04	1.70	
2	Expenses (Net)	223.09	391.01	267.05	1,414.79	
	(a) Cost of materials consumed (b) Purchase of stock-in-trade	109.47	259.85	200.14	1,074.05	
-	(b) Purchase of Stock-In-trade	•		-		
	(c) Changes in inventories of finished goods,					
	work-in-progress and stock in trade	105.79	534.57	(30.15)	371.01	
	(d) Employee benefits expense	111.50	116.60	104.44	436.75	
				-1000000		
	(e) Depreciation and amortisation expense	7.90	(16.06)	17.10	30.90	
	(f) Other expenses	44.18	35.29	49.82	214.07	
3	Total expenses	378.84	930.24	341.35	2,126.78	
-	Profit / (Loss) from operations before other income, finance costs and	- "				
	exceptional items (1-2)	(155.75)	(539.23)	(74.70)	(711.00)	
4	Other income	0.01	628.56	(74.30) 0.30	(711.99)	
5	Profit/(Loss) from ordinary activities	0.01	020.30	0.30	032.88	
	before finance costs and exceptional					
	items (3+4)	(155,74)	89.32	(74.00)	(79.10)	
6	Finance costs	205.78	208.75	174.95	778.54	
7	Profit/(Loss) from ordinary activities					
	after finance costs but before					
50.0	exceptional items (5-6)	(361.52)	(119.43)	(248.95)	(857.65)	
8	Exceptional items	1.05	(1.81)	(0.04)	(0.16)	
9	Profit/(Loss) from ordinary activities		-2000000000000	2000		
10	before tax (7-8) Tax expense	(362.57)	(117.62)	(248.91)	(857.49)	
11	Net profit / (Loss) from ordinary					
	activities after tax (9-10)	(362,57)	(117.62)	(248.91)	(857.49)	
12	Extraordinary items (net of tax expense)		-	-	-	
13	Net Profit / (Loss) for the period (11+/-				W-177 17	
	12)	(362.57)	(117.62)	(248.91)	(857.49)	
14	Paid-up equity share capital (Face Value	4.507.60				
15	Rs.10 each) Reserves excluding revaluation reserves as	4,567.62	4,567.62	4,567.62	4,567.62	
1.5	per Balance Sheet of previous accounting					
	year	(8,685.15)	(8,322.58)	(7,701.77)	(8,322.58)	
16	Earnings per share (before extraordinary		(5/5-5-5/	(17.00.17)	(0)522.50)	
	items) ( in Rupees)	(0.79)	(0.26)	(0.54)	(1.88)	
17	Public shareholding		- None of		, , , , , , , , , , , , , , , , , , , ,	
	- Number of shares	16613300	16613300	16613300	16613300	
	- Percentage of shareholding	36.37%	36.37%	36.37%	36.37%	
18					50,57,70	
	Promoters and Promoter group shareholding					
	(a) Pledged / Encumbered					
	- Number of shares - Percentage of shares	Nil	Nil	Nil	Nil	
	(b) Non Encumbered	Nil	Nil	Nil	Nil	
	- Number of shares	29067700	29067700	29067700	29067700	
	- Percentage of shares (as a % of the total					
	shareholding of the promoter and promoter					
	group)	100%	100%	100%	100%	
	- Percentage of shares (as a % of the total					
	sharecapital of the company)	63.63%	63.63%	63.63%	63.63%	
19	Investor complaints					
	Pending at the beginning of the quarter	NIL				
	Received during the quarter	NIL				
	Disposed off during the quarter	NIL				
	Remaining unsolved at the end of the quarter	NIL				



Notes 1	The above results have been reviewed an	d approved by the Con	nmittee of the Board	of Directors at its	meeting held on			
2	13.08.2015.  The Accumulated losses of the company had exceeded its net worth again during 2011-12. BIFR has already approved Sanctioned Scheme for the Company during 2010-11 and the Company is under re-habilitation period and is being monitored by BIFR through the Monitoring Agency. Lack of executable orders and dull phase of Optical Fiber Cable (OFC) market from 2010-11 onwards is the main reason for such performance. In the NOFN Project tender floated for 4,04,995 KMs. by BBNL the Company has received APO from BBNL in Feb, 2014 and has accepted 5800 KMs of 24F OFC with accessories valuing Rs.31.90 crores. BBNL has proposed to issue PO in two phases of 50% each.BBNL has issued the first 50% PO for 2900 KMs including accessories valuing Rs. 15.95 crores in Apr,2014. Though the delivery period was upto Oct 2014, BBNL has issued full consignee details for four months' consignments of 1740 KMs only. For fifth month consignment							
	consignee details were provided for only 4 1112 KMs. Hence this balance quanty and The Company is expecting order for 149 k participated in the tender floated by MTNL financial bid opening is awaited. Value and however the delay is due to various proce getting orders from 2015-16 onwards sin and TCIL's continuous financial support, ti	18 KMs out of 580 KMs. I second 50% PO for 2: (Ms of 48F(A) OFC from for supply of 600 KMs icipated is around Rs.3 dural issues in execution ce OFC market is picking ce OFC market is picking ce OFC market is picking	Consignee details a 900 KMs may be ant a RailTel worth Rs. 1. of 48F (UA) OFC. The 1.4 crores. The require on of big projects by	re not provided for icipated during 20 .04 crores. The co- ne technical bid air rement of OFC in to Govt. clients. The second during the second during second during	r balance of around 15-16 for execution mpany has eady opened and he country is huge;			
3	Same Accounting Policies as that of corresponding period of last year has been followed excepting Depreciation on Fixed Assets which is provided in accordance with the useful lives as prescribed in Schedule II of the Companies Act,2013.							
4	Provision for employee benefits has been	made on estimated bas	is					
5	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 in terms of para 26 of AS-22. The treatment noted above is in accordance with the Accounting Standard 22 "Taxes on Income" notified under Section 133 of the Companies Act, 2013.							
6	No provision is made for one long pending debtor Rs. 3.40 crores, in view of the arbitration proceeding completed against the Purchaser for which Award is received in favour of the Company but has since been challenged by the Purchaser in the Court. The Court has remitted back to the Arbitrator for speaking orders which has also been awarded in favour of the Company. The Purchaser has again appealed in the Court.							
7	No provision is made for Rs.0.13 crores, due from RailTel which was under Arbitration. In the Arbitration award, six claims were in favour of the Company and one against the Company. Company has appealed against the award in Delhi							
8	High court and the proceedings are in progress.  Depreciation for the quarter ended 30.06.2015 has been provided as per the requirement of Part C of Schedule II to the court and the proceedings are in progress.							
	Companies Act, 2013.	.2015 has been provid	sed as per the requi	rement of Part C	of Schedule II to th			
	portion of factory building, minor part of Plant & Machinery including electrical installations got damaged. Insurance claim was lodged for Rs. 7.47 crores. The insurance surveyor has submitted the interim report to the insurer for making provision of Rs. 6.4 crores towards this claim. Accordingly the damaged WIP inventories value of Rs. 6.24 crores (excluding excise duty and salvage value) and the actual expenditure claim of Rs. 0.84 lakhs have been accounted as insurance claims receivable crediting other income during the quarter ended 31.03.2015. Corresponding stock value was also reduced from WIP inventories. A detailed study on the claim by Insurer / Surveyor is completed and the claim settlement is expected during second quarter of FY 2015-16.							
10	Previous period's amounts are regrouped a	nd rearranged to confo	rm to the current or	rind's classification	n			
11	The financial results have been reviewed							
12	Agreement,							
12	The Director General of Audit (P&T) on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit of the audited accounts for the FY 2014-15, under Section 143(6)(a) of the Companies Act,2013 and has issued "Nil Comments" certificate, on 17th July,2015, under Section 143(6)(b) of the Companies Act,2013.							
13	Segment Reporting: The Company's business activity falls within a single primary business segment viz., telephone cables. The Company during 2012-13 as a feasibility study, executed CSR Project of TCIL by assembling and supply of 150 numbers of Tablet PCs successfuly. No further business is in this front, during the period under review. Few outstanding exists, hence Tablet PC is disclosed as a separate segment.							
	1	- 8	(Amounts i Three months ended	n Lakhs of Rupees)				
i.No	Particulars	30th June 2015	31st March, 2015	30th Tuno 2014	Year ended			
		Unaudited		30th June 2014	31st March 2015			
1	Segment Revenue (Net Revenue):	Orlandited	Unaudited	Unaudited	Audited			
	(a) OFC	223.09	391.01	267.05	1,414.79			
	(b) Revenue from Tablet PC			-	-			
	Total	223.09	391.01	267.05	1,414.79			
	Less: Inter Segment Revenue			-	-			
2	Net Revenue Segment Results : Unallocated	223.09	391.01	267.05	1,414.79			
3	Capital Employed:	(362.57)	(117.62)	(248.91)	(857.49			
	(Segment Assets - Segment Liabilities)							
	(a) OFC	(3,908.15)	(3,555.38)	(2,965.33)	(3,555.38			
	(b) Tablet PC	5.68	5,68	5.68	5.68			
	Total	(3,902.47)	(3,549.70)	(2,959.65)	(3,549.70			
	(+		For and on behalf of	the Board of Dire				
	Association and the second sec		V.S.PARAMESWARAN					

V.S.PARAMESWARAN Managing Director

Place: Chennal Date: 13.08.2015

## S. VENKATRAM & CO.,

**CHARTERED ACCOUNTANTS** 

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Limited Review Report of
Tamilnadu Telecommunications Limited
For the quarter ended 30th June 2015

То

The Board of Directors,

Tamilnadu Telecommunications Limited,

Chennai.

- 1. We have reviewed the accompanying statement of the unaudited financial results of TAMILNADU TELECOMMUNICATIONS LIMITED, for the quarter ended 30th June 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/Committee of 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, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" 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 an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly we do not express an audit opinion.
- 3. Without qualifying our conclusion, we draw attention to S.No. 2 to Notes to Unaudited Financial Results for the Quarter ended 30th June 2015. The Company's accumulated losses of Rs.8685.15 Lakhs has eroded the Net Worth of the Company, indicating the existence of material uncertainity that may cast a doubt about the Company's ability to continue as a *Going Concern*. The Company has incurred a loss of Rs.362.57 lakhs for the quarter under review. Based on the mitigating factors discussed in the said note, the Management believes that the *Going Concern* assumption is appropriate.



4. Based on our review conducted as above, nothing 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 notified pursuant to the Companies (Accounting Standard) Rules ,2006 which continue to apply as per Section 133 of the Companies Act ,2013 ,read with Rule 7 of the Companies (Accounts) Rules ,2014, and other recognised 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 S. VENKATRAM & CO., Chartered Accountants

FRN: 004656S

Place: Chennai

Date: 13th August 2015

No. 218 CONTROL NO. 218 CONTRO

R.VAIDYANATHAN

Partner M.No.18953