महानगर टेलीफोन निगम लि.
(भारत सरकार का उद्यम)
**Mahanagar Telephone Nigam Ltd.**
(A Government of India Enterprise)

**MTNL/ SECTT/SE/2012**
**November 9, 2012**

The Secretary, Stock Exchanges
Delhi/Mumbai/Calcutta/Chennai
National Stock Exchange/NYSE

**Sub: Unaudited Reviewed Financial Results for the Quarter ended on 30th September, 2012**

Dear Sir,

As already informed you, a Meeting of the Board of Directors of the Company was held today (i.e. 9/11/2012) at New Delhi to consider the un-audited Reviewed Financial Results for the quarter ended on 30th September, 2012. A copy of the approved Un-audited Reviewed Financial Results along with the Segment Reporting for your kind information and record. The same is also being published in the NewsPapers. Limited Review Report will be sent separately after the Auditors submit the same.

Thanking You,

Yours Faithfully

**(S.R.SAYAL)**
**COMPANY SECRETARY**

**Enclosed : As above.**

निगम कार्यालय : महानगर दूरसंचार सदन, 5 वां तल, 9 सी.जी.ओ. कॉम्पलैक्स, लोधी रोड़, नई दिल्ली-110003
फोन कार्यालय : 24319020, फैक्स : 24324243
**Corporate Office** : Mahanagar Doorsanchar Sadan, 5th Floor, 9 CGO Complex, Lodhi Road, New Delhi-110003 India
Phone Off.: 24319020, Fax : 24324243
आप हमारे साथ हिन्दी मे भी पत्राचार कर सकते हैं।

## MAHANAGAR TELEPHONE NIGAM LIMITED

**( A Govt. of India Enterprise)**

**Regd. Office : Mahanagar Doorsanchar Sadan, 5th Floor, 9, CGO Complex, Lodhi Road, New Delhi-110003**

**STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND SIX MONTHS ENDED ON 30.09.2012**

**(Rs. in Million)**

| S. No. | Particulars | 3 months ended 30/09/2012 | Preceding 3 months ended 30/06/2012 | Corresponding 3 months ended 30/09/2011 in the previous year | Year to date figures for Current period ended 30/09/2012 | Year to date figures for the previous year ended 30/09/2011 | Previous year ended 31/03/2012 |
|---|---|---|---|---|---|---|---|
| | (Refer Notes Below) | UNAUDITED | UNAUDITED | UNAUDITED | UNAUDITED | UNAUDITED | AUDITED |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1 | **Income from operations** | | | | | | |
| | (a) Net income from operations | 8,374.22 | 8,304.87 | 8,583.76 | 16,679.09 | 16,656.81 | 33,481.25 |
| | (b) Other operating income | 46.25 | 25.19 | 22.71 | 71.44 | 81.48 | 251.28 |
| | **Total income from operations (Net)** | **8,420.47** | **8,330.05** | **8,606.47** | **16,750.53** | **16,738.29** | **33,732.53** |
| 2 | **Expenses** | | | | | | |
| | (a1) Employee benefits other than retirement benefits | 4,618.81 | 4,738.07 | 4,234.08 | 9,356.88 | 8,640.79 | 17,700.31 |
| | (a2) Employee benefits for retirement benefits (Actual Payouts) | 1,295.35 | 1,268.84 | 1,236.19 | 2,564.19 | 2,317.75 | 4,814.40 |
| | (a3) Employee benefits for retirement benefits (Provisions) | 3,787.22 | 3,787.23 | 2,541.38 | 7,574.45 | 5,531.85 | 14,600.92 |
| | (b) Revenue Sharing | 1,063.29 | 1,147.69 | 1,290.05 | 2,210.98 | 2,362.81 | 4,539.95 |
| | (c) Licence Fees and Spectrum Charges | 624.82 | 728.59 | 722.23 | 1,353.41 | 1,418.08 | 2,787.90 |
| | (d) Depreciation and Amortisation expense | 3,625.34 | 3,680.57 | 3,586.61 | 7,305.91 | 7,150.73 | 14,962.15 |
| | (e) Administrative, Operative & Other Expenses | 2,002.05 | 1,722.06 | 1,771.02 | 3,724.11 | 3,279.71 | 8,444.77 |
| | **Total Expenses** | **17,016.88** | **17,073.04** | **15,381.56** | **34,089.93** | **30,701.72** | **67,850.39** |
| 3 | **Profits/(Loss) from Operations before other income, Finance cost and exceptional items (1-2)** | **(8,596.41)** | **(8,742.98)** | **(6,775.10)** | **(17,339.40)** | **(13,963.43)** | **(34,117.86)** |
| 4 | Other Income | 447.70 | 877.43 | 484.10 | 1,325.13 | 1,031.45 | 2,511.64 |
| 5 | **Profit / (Loss) from ordinary activities before Finance cost and exceptional items (3+4)** | **(8,148.71)** | **(7,865.55)** | **(6,291.00)** | **(16,014.27)** | **(12,931.98)** | **(31,606.22)** |
| 6 | Finance costs | 2,788.54 | 2,727.29 | 2,350.38 | 5,515.83 | 4,209.34 | 9,491.62 |
| 7 | **Profit / (Loss) from ordinary activities after Finance cost but before exceptional items (5-6)** | **(10,937.25)** | **(10,592.84)** | **(8,641.37)** | **(21,530.10)** | **(17,141.31)** | **(41,097.84)** |
| 8 | Exceptional items | - | - | - | - | - | - |
| 9 | **Profit/ (Loss) from ordinary activities before tax (7-8)** | **(10,937.25)** | **(10,592.84)** | **(8,641.37)** | **(21,530.10)** | **(17,141.31)** | **(41,097.84)** |
| 10 | **Tax expense** | | | | | | |
| | (a) Provision for Current Tax | - | - | 0.47 | - | 0.95 | - |
| | (b) Taxes for earlier period written back/paid | - | - | - | - | - | - |
| | (c) Provision for Deferred Tax | - | - | - | - | - | - |
| 11 | **Net Profit/ (Loss) from ordinary activities after tax (9-10)** | **(10,937.25)** | **(10,592.84)** | **(8,641.85)** | **(21,530.10)** | **(17,142.27)** | **(41,097.84)** |
| 12 | Extraordinary items | - | - | - | - | - | - |
| 13 | **Net Profit/ (Loss) for the period (11-12)** | **(10,937.25)** | **(10,592.84)** | **(8,641.85)** | **(21,530.10)** | **(17,142.27)** | **(41,097.84)** |
| 14 | **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** |
| 15 | **Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year** | | | | | | **19,066.97** |
| 16 | **Earning Per Share (EPS)** | | | | | | |
| | (a) Basic and Diluted EPS (before extraordinary items) | (17.36) | (16.81) | (13.72) | (34.17) | (27.21) | (65.23) |
| | (a) Basic and Diluted EPS (after extraordinary items) | (17.36) | (16.81) | (13.72) | (34.17) | (27.21) | (65.23) |
| 17 | **Public shareholding** | | | | | | |
| | a) Number of shares | 275,621,260 | 275,621,260 | 275,621,260 | 275,621,260 | 275,621,260 | 275,621,260 |
| | b) Percentage of shareholding | 43.75% | 43.75% | 43.75% | 43.75% | 43.75% | 43.75% |
| 18 | **Promoters and Promoter Group Shareholding** | | | | | | |
| | **a) Pledged/ Encumbered** | | | | | | |
| | - Number of shares | 0 | 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 company) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | **b) Non - encumbered** | | | | | | |
| | - Number of shares | 354,378,740 | 354,378,740 | 354,378,740 | 354,378,740 | 354,378,740 | 354,378,740 |
| | - Percentage of shares (as a % of the total shareholding of the 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 company) | 56.25% | 56.25% | 56.25% | 56.25% | 56.25% | 56.25% |

| 19 | The status of investor complaints received and disposed of during the 3 months period ended on 30.09.2012 is as under: | |
|---|---|---|
| | Pending at the beginning of the quarter | 0 |
| | Received during the quarter | 3 |
| | Disposed of during the quarter | 3 |
| | Remained unresolved at the end of the quarter | 0 |

Notes:

1 The above results have been reviewed and recommended for adoption by the Audit Committee in their meeting held on 09.11.2012 and approved by the Board of Directors of the Company at their meeting held on the same date. The Statutory Auditors have carried out a Limited Review of the financial results as required under Clause-41 of the Equity Listing Agreement. Figures of previous year /period have been reclassified/regrouped whereever necessary to conform to current year/ period presentations.

2 The above results have been finalised by providing 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 & 0.50% on attrition rates as per the proportionate liability worked out on the basis of previous year liability.

**For and on behalf of the Board**

Sd/-

**A. K. Garg**

**Chairman & Managing Director**

**Place : New Delhi**

**Date : 09.11.2012**

**MTNL - STANDALONE UNAUDITED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND SIX MONTHS ENDED ON 30.09.2012**

(Rs. in Million)

| S. No. | Particulars | 3 months ended 30.09.2012 | Preceding 3 months ended 30.06.2012 | Corresponding 3 months ended 30.09.2011 in the previous year | Year to date figures for Current period ended 30.09.2012 | Year to date figures for the previous period ended 30.09.2011 | Previous year ended 31.03.2012 |
|---|---|---|---|---|---|---|---|
| | | UNAUDITED | UNAUDITED | UNAUDITED | UNAUDITED | UNAUDITED | AUDITED |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1. | **Segment Revenue** | | | | | | |
| | Basic Services | 6,688.91 | 6532.86 | 6755.20 | 13221.77 | 13208.23 | 26682.95 |
| | Cellular | 1,844.12 | 1833.41 | 1919.01 | 3677.53 | 3678.28 | 7310.16 |
| | Unallocable | - | 0.00 | 0.00 | 0.00 | 0.00 | (0.69) |
| | **Total** | **8533.02** | **8366.27** | **8674.20** | **16899.30** | **16886.50** | **33992.41** |
| | Less: Inter Segment Revenue | 112.55 | 36.22 | 67.73 | 148.77 | 148.21 | 259.88 |
| | **Net Revenue from Operations** | **8420.47** | **8330.05** | **8606.47** | **16750.53** | **16738.29** | **33732.53** |
| 2. | **Segment Results (Profit / (Loss) before finance cost, prior period items and tax)** | | | | | | |
| | Basic Services | (5,844.68) | (5993.84) | (4784.57) | (11838.52) | (10049.13) | (22478.37) |
| | Cellular | (1,606.02) | (1640.98) | (846.36) | (3247.00) | (1681.44) | (6158.30) |
| | Unallocable | (667.88) | (220.26) | (658.10) | (888.14) | (1199.38) | (2319.38) |
| | **Total** | **(8118.58)** | **(7855.09)** | **(6289.02)** | **(15973.66)** | **(12929.95)** | **(30956.04)** |
| | Less: Finance cost | 2,788.54 | 2727.29 | 2350.38 | 5515.83 | 4209.34 | 9491.62 |
| | Less: Prior period items | 30.14 | 10.47 | 1.98 | 40.61 | 2.04 | 650.18 |
| | **Profit / (Loss) before tax** | **(10937.25)** | **(10592.84)** | **(8641.37)** | **(21530.10)** | **(17141.33)** | **(41097.84)** |
| | Less: Provision for Current Tax & Deferred tax | - | 0.00 | 0.47 | 0.00 | 0.95 | 0.00 |
| | Less: Taxes for earlier period(s) written back/paid | - | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | **Profit / (Loss) after tax** | **(10937.25)** | **(10592.84)** | **(8641.85)** | **(21530.10)** | **(17142.27)** | **(41097.84)** |
| 3. | **Capital Employed (Segment Assets - Segment Liabilities)** | | | | | | |
| | Basic Services | (29,954.58) | (22089.11) | (5346.67) | (30484.90) | (5346.67) | (13615.11) |
| | Cellular | 58,373.53 | 61564.92 | 67961.33 | 58903.85 | 67961.33 | 63832.76 |
| | Unallocable | (24,541.27) | (24647.17) | (13719.62) | (24541.27) | (13719.62) | (24850.68) |
| | **Total** | **3877.68** | **14828.64** | **48895.04** | **3877.68** | **48895.04** | **25366.97** |

**For and on behalf of the Board**

Sd/-

**A. K. Garg**

**Chairman & Managing Director**

**Place : New Delhi**

**Date : 09.11.2012**

## MTNL - STANDALONE UNAUDITED STATEMENT OF ASSETS AND LIABILITIES

(Pursuant to Clause 41 (I) (ea) of the Equity Listing Agreement (as amended))

(Rs. in Million)

| | Particulars | As at current half year ended 30.09.2012 Unaudited | As at previous year ended 31.03.2012 Audited |
|---|---|---|---|
| A | **EQUITY AND LIABILITIES** | | |
| 1 | **Shareholders' Funds** | | |
| | (a) Share capital | 6,300.00 | 6,300.00 |
| | (b) Reserves & Surplus | (2,422.32) | 19,066.97 |
| | **Sub total Shareholders' Funds** | **3,877.68** | **25,366.97** |
| 2 | **Non current liabilities** | | |
| | (a) Long term borrowings | 70,000.00 | 70,000.00 |
| | (b) Other long term liabilities | 30,211.31 | 29,349.78 |
| | (c) Long term provisions | 89,596.33 | 82,047.80 |
| | **Sub total Non current liabilities** | **189,807.65** | **181,397.59** |
| 3 | **Current liabilities** | | |
| | (a) Short term borrowings | 31,680.51 | 26,474.93 |
| | (b) Trade payables | 2,553.48 | 2,559.40 |
| | (c) Other current liabilities | 27,109.69 | 25,238.98 |
| | (d) Short term provisions | 7,681.90 | 8,033.51 |
| | **Sub total Current liabilities** | **69,025.58** | **62,306.83** |
| | **TOTAL - EQUITY AND LIABILITIES** | **262,710.91** | **269,071.39** |
| B | **ASSETS** | | |
| 1 | **Non current assets** | | |
| | (a) Fixed assets | 161,464.78 | 166,571.70 |
| | (b) Non current investments | 2,219.79 | 2,219.79 |
| | (c) Long term loans and advances | 47,362.06 | 49,366.95 |
| | (d) Other non current assets | 34,445.48 | 31,695.37 |
| | **Sub total Non current assets** | **245,492.11** | **249,853.81** |
| 2 | **Current assets** | | |
| | (a) Current investments | 200.00 | 2,700.00 |
| | (b) Inventories | 940.95 | 1,005.62 |
| | (c) Trade Receivables | 3,903.91 | 3,288.32 |
| | (d) Cash and cash equivalents | 1,492.15 | 868.33 |
| | (e) Short term loans and advances | 8,348.16 | 8,042.86 |
| | (f) Other current assets | 2,333.63 | 3,312.44 |
| | **Sub total Current assets** | **17,218.80** | **19,217.58** |
| | **TOTAL - ASSETS** | **262,710.91** | **269,071.39** |

**For and on behalf of the Board**

Sd/-

**A. K. Garg**
**Chairman & Managing Director**

**Place : New Delhi**
**Date : 09.11.2012**