



# TAMILNADU TELECOMMUNICATIONS LIMITED

(A Joint venture of TCIL, a Govt. of India Enterprise &  
TIDCO, a Govt. of Tamilnadu Enterprises)

## OPTICAL FIBRE CABLE DIVISION



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TTL//NSE/2019-20

29.07.2020

The Manager,  
M/s.National Stock Exchange Of India Limited,  
"Exchange Plaza", Bandra Kurla Complex,  
**Bandara (East), MUMBAI – 400 051**

Dear Sir/Madam,

**SUB: Outcome of Board Meeting – regarding**

**REF: NSE Code: TNTELE**

With reference to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Meeting of the Board of Directors of M/s. TAMILNADU TELECOMMUNICATIONS LIMITED, schedule on 29.07.2020 (Wednesday) at 1.00 pm, at M/S TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED, TCIL Bhawan, Greater Kailash-I, New Delhi-11 0048, for adoption of the Audited financial statements for the year ended 31<sup>st</sup> March 2020, Accordingly, in the Board Meeting held on today 29.07.2020 (Wednesday) at 1.00 pm, at M/S TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED, TCIL Bhawan, Greater Kailash-I, New Delhi-11 0048, through audio visual means / video conferencing, the Board has approved the audited results of the Company for the year 2019-20.

Please find enclosed herewith the following for your information and records:

- 1) Duly authenticated Statement of the audited results for the year ended 31<sup>st</sup> March, 2020 along with other relevant periods, as per the prescribed format.

Kindly acknowledge receipt.

Thanking you,  
Yours faithfully,

(P.V.Sreekanth)  
Managing Director  
DIN 08610244

Encl: Audited Financial Results for the F.Y. 2019-20.

**TAMILNADU TELECOMMUNICATIONS LIMITED**

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

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

CIN : L32201TN1988PLC015705, TEL : 044 28292653, email : ttlcosec@gmail.com, website : www.ttlcofc.in

**STATEMENT OF ASSETS AND LIABILITIES**

(Indian Rupees in Hundreds)

Particulars	As at	
	31-Mar-20	31-Mar-19
<b>ASSETS</b>		
<b>1 NON CURRENT ASSETS</b>		
(a) Property, Plant and Equipment	862,696	892,159
(b) Other non-current assets	4,740	4,740
<b>Total Non current assets</b>	<b>867,436</b>	<b>896,899</b>
<b>2 CURRENT ASSETS</b>		
(a) Inventories	108,198	278,690
(b) Financial Assets		
(i) Trade Receivables	714,103	712,571
(ii) Cash and Cash equivalents	39,989	54,425
(iii) Short term loans	207	207
(c) Other current assets	146,902	120,026
<b>Total Current assets</b>	<b>1,009,399</b>	<b>1,165,919</b>
<b>Total Assets</b>	<b>1,876,835</b>	<b>2,062,818</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
(a) Equity share Capital	4,567,620	4,567,620
(b) Other Equity	(16,251,379)	(14,789,861)
<b>Total Equity</b>	<b>(11,683,759)</b>	<b>(10,222,241)</b>
<b>LIABILITIES</b>		
<b>1 Non Current Liabilities</b>		
(a) Financial Liabilities		
(i) Long term borrowings	1,165,730	1,165,730
(b) Long Term Provisions	432,518	322,556
<b>Non Current Liabilities</b>	<b>1,598,248</b>	<b>1,488,286</b>
<b>2 Current Liabilities</b>		
(a) Financial Liabilities		
(i) Short term Borrowings	1,609,603	1,512,498
(ii) Trade Payables	6,228,861	6,213,791
(iii) Other Financial liabilities	3,302,967	2,486,381
(b) Other current liabilities	215,920	113,196
(c) short term provisions	604,995	470,907
<b>Current Liabilities</b>	<b>11,962,346</b>	<b>10,796,773</b>
<b>Total of Equity and Liabilities</b>	<b>1,876,835</b>	<b>2,062,818</b>

For and on behalf of the Board of Directors

Place : New Delhi

Date : 29.07.2020

*J. Sankar Arora*

*P.V. Sreekanth*

P.V. Sreekanth

Managing Director

AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2020					
Particulars	For the Quarter Ended			Year Ended	
	Mar 31, 2020	December 31, 2019	Mar 31, 2019	March 31, 2020	March 31, 2019
(Refer Notes Below)	Audited	Unaudited	Audited	Audited	Audited
(I) Revenue from Operations	-	-	-	-	-
(II) Other Income	643	575	3,358	2,411	5,461
(III) Total Income (i+ii)	643	575	3,358	2,411	5,461
(IV). Expenses					
(a) Cost of Materials consumed	-	-	-	-	2,801
(b) Excise Duty	-	-	-	-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-
(d) Employee benefits expense	56,235	64,242	118,269	249,093	495,994
(e) Finance Cost	216,585	228,292	225,156	903,146	896,646
(f) Depreciation and amortisation expense	7,318	7,398	7,356	29,463	29,935
(g) Other expenses	170,279	14,110	84,291	228,686	150,632
Total Expenses(IV)	450,417	314,042	435,072	1,410,388	1,576,008
(V). Profit / (Loss) before exceptional items and Tax ((III-IV)	(449,774)	(313,467)	(431,714)	(1,407,977)	(1,570,547)
(VI). Exceptional Items	-	-	-	-	-
(VII) Profit / (Loss) before tax (V-VI)	(449,774)	(313,467)	(431,714)	(1,407,977)	(1,570,547)
(VIII). Tax expense					
Current Tax	-	-	-	-	-
Deferred Tax	-	-	-	-	-
(IX) Net Profit / (Loss) for the period from Continuing Operation after tax (VII-VIII)	(449,774)	(313,467)	(431,714)	(1,407,977)	(1,570,547)
(X) Profit / (Loss) from discontinued operations before tax	-	-	-	-	-
(XI) Tax Expense of discontinued operations	-	-	-	-	-
(XII) Profit / (Loss) from discontinued operations after tax (X-XI)	-	-	-	-	-
(XIII). Profit / (Loss) for the period	(449,774)	(313,467)	(431,714)	(1,407,977)	(1,570,547)
(XIV). Other Comprehensive Income	(53,540)	-	(22,915)	(53,540)	(22,915)
(XV) Total Comprehensive Income for the period [ (XIII-XIV) Comprising profit/(Loss) from ordinary activities after tax and Other Comprehensive Income for the period]	(503,314)	(313,467)	(454,629)	(1,461,517)	(1,593,462)
(XVI). Paid-up equity share capital (Face Value of Rs 10.Each)	4,567,620	4,567,620	4,567,620	4,567,620	4,567,620
(XVII) Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year	(16,251,379)	(15,748,064)	(14,789,861)	(16,251,379)	(14,789,861)
(XVIII) Earnings Per Equity Share ( for Continuing Operation) (of Rs 10/- each) (not annualised):					
(a) Basic	(0.98)	(0.69)	(0.95)	(3.08)	(3.44)
(b) Diluted	(0.98)	(0.69)	(0.95)	(3.08)	(3.44)

#### Notes to Published Results:

- 1) The above Financial Results (as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations) have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on 31st July 2020. The statutory auditors have audited the financial results for the Quarter and year to date ended March 31, 2020 as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements ) Regulations 2015 and the related report does not have any impact on the above Audited Financial Results and notes thereon.
- 2) The Financial statement as on 31.03.2020 are prepared in compliance with the Indian Accounting Standard (Ind As ).
- 3) The accumulated losses of the Company, Rs. 1,625,137,896/- as of 31st March 2020 had exceeded the net worth of the Company. The net worth of the Company as of 31st March 2019 is negative at Rs. 1,478,986,085/-.

4) The accumulated losses of the company had exceeded its net worth again during 2011-12. The Erstwhile BIFR has already approved a Sanctioned Scheme for the Company during 2010-11 and the Company is under re-habilitation period and is being monitored by it 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 since then. The requirement of OFC in the country is huge; however, the delay is due to various procedural issues in execution of big projects by Govt. clients. As such the company is hopeful of improving its order book position. Considering this and anticipating financial support from its Holding Company TCIL, Govt of India's Department of Telecommunications etc, the accounts have been prepared on "Going Concern basis" for the present.

5) Same accounting policies as that of last financial year are followed in the current year.

6) 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 .

7) 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.

8) 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.1,174,917,114/- 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.

9) The balances of debtors, creditors, advances and deposits payables/recoverables (other than Telecommunications Consultants India Limited (TCIL)) as on 31st March 2020 are subject to confirmation.

10) No provision is made for one long pending debtor amounting to Rs. 33,950,521/- in view of the arbitration proceeding completed against the Purchaser for which Award is received in favour of the Company but has been challenged by the Purchaser in the Court. The Court has remitted back to the Arbitrator for issuing speaking orders which has also been awarded in favour of the Company. The Purchaser has again appealed in the Court.

11) No provision is made for Rs. 1,339,656/- 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 High court and the proceedings are in progress.

12) Depreciation has been provided as per the requirement of Part C of Schedule II to the Companies Act, 2013.

### 13) Contingent Liabilities

a) Commercial Tax Department had demanded a sum of Rs.18,608,794/- 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.

b) The Sales Tax department has demanded a sum of Rs. 2,295,000/- 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.

c) The Customs Authority has demanded an amount of Rs. 10,206,795/- 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.

d) There is a demand from IT department for Rs. 1,774,729/- towards short deduction of TDS against interest payable to TCIL. We have represented the case with IT Department.

e) Total penalty amounting to Rs. 4,776,640/- is levied by the BSE and NSE stock exchanges pursuant to non-compliance with SEBI(Listing Obligations & Disclosure Requirements) during the year 2018-19 and Rs.38,37,360/- during the year 2019-20. The Company has made written representation to the Stock exchanges for waiver of this penalties.

14) The figures of the quarter ended 31st March 2020 and 31st March 2019 are the balancing figures between audited figures in respect of the full financial year and published unaudited year to date figures upto the Third quarter of the respective financial year. Also the figures up to the end of the third quarter were only reviewed and not subject to audit.

15) Previous period's amounts are regrouped and rearranged to conform to the current period's classification.

16) The financial statement for the year ended 31st March 2020 are subject to supplementary audit By the Comptroller and Auditor general of India u/s 143 of the Companies Act, 2013.

Place: New Delhi

Date: 23.07.2020

For and on behalf of the Board of Directors

*J. Sankar Arora*

*P.V. Sreekanth*  
P. V. Sreekanth  
Managing Director