

| <b>TAMILNADU TELECOMMUNICATIONS LIMITED</b>                                                             |                              |                     |                  |                  |                  |
|---------------------------------------------------------------------------------------------------------|------------------------------|---------------------|------------------|------------------|------------------|
| (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                |                              |                     |                  |                  |                  |
| AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 ST MARCH 2012                                           |                              |                     |                  |                  |                  |
| Particulars                                                                                             | (Amounts in Lakhs of Rupees) |                     |                  |                  |                  |
|                                                                                                         | Three Months ended           |                     | Year ended       |                  |                  |
|                                                                                                         | 31st March, 2012             | 31st December, 2011 | 31st March, 2011 | 31st March, 2012 | 31st March, 2011 |
|                                                                                                         | Unaudited                    | Unaudited           | Unaudited        | (Audited)        | (Audited)        |
| <b>1 Income from Operations</b>                                                                         |                              |                     |                  |                  |                  |
| (a) Net Sales / Income from Operations (Net of Excise Duty)                                             | 201.00                       | 248.28              | 360.05           | 1,096.01         | 1,358.00         |
| (b) Other Operating income                                                                              | 0.40                         | 0.90                | 1.05             | 2.71             | 6.04             |
| Total Income from Operations (Net)                                                                      | 201.40                       | 249.18              | 361.10           | 1,098.72         | 1,364.04         |
| <b>2 Expenses</b>                                                                                       |                              |                     |                  |                  |                  |
| (a) Cost of materials consumed                                                                          | 88.55                        | 116.92              | 240.96           | 1,087.46         | 1,233.33         |
| (b) Purchase of stock-in-trade                                                                          | -                            | -                   | -                | -                | -                |
| (c) Changes in inventories of finished goods, work-in-progress and stock in trade                       | 124.02                       | 104.66              | 17.80            | (12.86)          | (242.64)         |
| (d) Employee benefits expense                                                                           | 71.21                        | 79.93               | 70.94            | 297.56           | 290.55           |
| (e) Depreciation and amortisation expense                                                               | 60.27                        | 59.56               | 59.81            | 237.81           | 242.17           |
| (f) Other expenses                                                                                      | 221.13                       | 62.14               | 58.71            | 390.26           | 200.63           |
| <b>Total expenses</b>                                                                                   | 565.18                       | 423.21              | 448.22           | 2,000.23         | 1,724.04         |
| <b>3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)</b> | (363.78)                     | (174.03)            | (87.12)          | (901.51)         | (360.00)         |
| <b>4 Other income</b>                                                                                   | 13.35                        | 2.97                | 5.45             | 16.27            | 16.21            |
| <b>5 Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>        | (350.43)                     | (171.06)            | (81.67)          | (885.24)         | (343.79)         |
| <b>6 Finance costs</b>                                                                                  | 196.99                       | 170.89              | 93.51            | 586.17           | 294.97           |
| <b>7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>  | (547.42)                     | (341.95)            | (175.18)         | (1,471.41)       | (638.76)         |
| <b>8 Exceptional items</b>                                                                              | (138.27)                     | 0.82                | 2.62             | (138.59)         | 9.08             |
| <b>9 Profit/(Loss) from ordinary activities before tax (7-8)</b>                                        | (409.15)                     | (342.77)            | (177.80)         | (1,332.82)       | (647.84)         |
| <b>10 Tax expense</b>                                                                                   | -                            | -                   | -                | -                | -                |
| <b>11 Net profit / (Loss) from ordinary activities after tax (9-10)</b>                                 | (409.15)                     | (342.77)            | (177.80)         | (1,332.82)       | (647.84)         |
| <b>12 Extraordinary items (net of tax expense Rs. Nil)</b>                                              | -                            | -                   | -                | -                | -                |
| <b>13 Net Profit / (Loss) for the period (11+/-12)</b>                                                  | (409.15)                     | (342.77)            | (177.80)         | (1,332.82)       | (647.84)         |
| <b>14 Paid-up equity share capital (Face Value Rs.10 each)</b>                                          | 4,567.62                     | 4,567.62            | 2,266.02         | 4,567.62         | 4,567.62         |
| <b>15 Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year</b>      | (5,581.13)                   | (5,172.02)          | 99.79            | (5,581.13)       | (4,248.32)       |
| <b>16 Earnings per share (before extraordinary items) ( in Rupees)</b>                                  | (0.90)                       | (0.75)              | (0.78)           | (2.92)           | (1.42)           |
| <b>17 Public shareholding</b>                                                                           |                              |                     |                  |                  |                  |
| - Number of shares                                                                                      | 16613300                     | 16613300            | 9030000          | 16613300         | 16613300         |
| - Percentage of shareholding                                                                            | 36.37%                       | 36.37%              | 39.84%           | 36.37%           | 36.37%           |
| <b>18 Promoters and Promoter group shareholding</b>                                                     |                              |                     |                  |                  |                  |
| (a) Pledged / Encumbered                                                                                |                              |                     |                  |                  |                  |
| - Number of shares                                                                                      | Nil                          | Nil                 | Nil              | Nil              | Nil              |
| - Percentage of shares                                                                                  | Nil                          | Nil                 | Nil              | Nil              | Nil              |
| (b) Non Encumbered                                                                                      |                              |                     |                  |                  |                  |
| - Number of shares                                                                                      | 29067700                     | 29067700            | 29067700         | 29067700         | 29067700         |
| - Percentage of shares (as a % of the total shareholding of the promoter and promoter group)            | 100%                         | 100%                | 100%             | 100%             | 100%             |
| - Percentage of shares (as a % of the total sharecapital of the company)                                | 63.63%                       | 63.63%              | 63.63%           | 63.63%           | 63.63%           |
| <b>19 Investor complaints</b>                                                                           |                              |                     |                  |                  |                  |
| pending at the beginning of the quarter                                                                 | NIL                          | NIL                 | NIL              | NIL              | NIL              |
| Received during the quarter                                                                             | NIL                          | NIL                 | 1                | NIL              | 1                |
| Disposed off during the quarter                                                                         | NIL                          | NIL                 | 1                | NIL              | 1                |
| Remaining unsolved at the end of the quarter                                                            | NIL                          | NIL                 | NIL              | NIL              | NIL              |

Notes:

1

The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30.05.2012

2

The Accumulated losses of the company had exceeded its net worth. BIFR has already approved a Sanctioned Scheme for the Company and the Company is under re-habilitation period and is being monitored by BIFR through the Monitoring Agency. Present scenario is due to the dull phase of OFC market and is expected to improve in near future. The company has already received order from BSNL for supply of 3206 kms of OFC valuing Rs.15.68 crores. The company is confident of getting orders of good volume from Reliance Infotech and from the Government's NOFN Project. The total OFC requirement for NOFN Project is 600000 kms.Considering the scope during the immediate future, the accounts have been prepared on going concern basis.

3

No provision is made for certain long pending debtors 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. In one case Court remitted back to the Arbitrator and the proceedings are in progress.

4

Deferred tax: During the period 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 profits 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 profits 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 sub-section 3(C) of Section 211 of the Companies Act,1956

5

Previous period's amounts are regrouped and rearranged to conform to the current year's classification as per the revised schedule VI format.

6

Same Accounting Policies that of corresponding period of last year has been followed and as such, there is no change in accounting policies. During the current period few accounting policies on provision for warranty period expenses, current and deferred tax charge/credit, contingent liabilities, borrowing costs and accounting for leases added.

Statement of Assets and Liabilities (Audited) as at 31st March

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