

TAMILNADU TELECOMMUNICATIONS LIMITED

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

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AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2016

Sl.No	Particulars	Three Months ended			(Amounts in Lakhs of Rupees)	
		31st March, 2016	31st Dec, 2015	31st March, 2015	Year ended	
		(Unaudited)	(Unaudited)	(Unaudited)	31st March, 2016	31st March, 2015
				(Audited)	(Audited)	
1	Income from Operations					
	(a) Net Sales / Income from Operations (Net of Excise Duty)	156.80	15.94	390.55	414.52	1,413.09
	(b) Other Operating Income	0.56	0.08	0.46	4.04	1.70
	Total Income from Operations (Net)	157.36	16.02	391.01	418.56	1,414.79
2	Expenses					
	(a) Cost of materials consumed	53.23	51.68	259.85	243.98	1,074.05
	(b) Purchase of stock-in-trade	-	-	-	-	-
	(c) Changes in Inventories of finished goods, work-in-progress and stock in trade	150.79	(34.60)	534.57	207.01	371.01
	(d) Employee benefits expense	87.49	114.56	116.60	424.91	436.75
	(e) Depreciation and amortisation expense	7.75	7.99	(16.06)	31.64	30.90
	(f) Other expenses	180.16	31.33	35.29	290.26	214.07
	Total expenses	479.42	170.96	930.24	1,197.80	2,126.78
3	Profit / (Loss) from operations before other income, finance costs and exceptional items(1-2)	(322.06)	(154.94)	(539.23)	(779.24)	(711.99)
4	Other income	0.88	-	628.56	0.88	632.88
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(321.18)	(154.94)	89.32	(778.36)	(79.10)
6	Finance costs	192.68	206.24	208.75	815.85	778.54
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(513.86)	(361.18)	(119.43)	(1,594.21)	(857.65)
8	Exceptional items	0.09	0.13	(1.81)	1.21	(0.16)
9	Profit/(Loss) from ordinary activities before tax (7-8)	(513.95)	(361.31)	(117.62)	(1,595.42)	(857.49)
10	Tax expense	-	-	-	-	-
11	Net profit / (Loss) from ordinary activities after tax (9-10)	(513.95)	(361.31)	(117.62)	(1,595.42)	(857.49)
12	Extraordinary items (net of tax expense Rs. Nil)	-	-	-	-	-
13	Net Profit / (Loss) for the period (11+/-12)	(513.95)	(361.31)	(117.62)	(1,595.42)	(857.49)
14	Paid-up equity share capital (Face Value Rs.10 each)	4,567.62	4,567.62	4,567.62	4,567.62	4,567.62
15	Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year	(9,918.00)	(9,404.05)	(8,322.58)	(9,918.00)	(8,322.58)
16	i. Earnings per share (before extraordinary items) (in Rupees)					
	(a) Basic	(1.13)	(0.79)	(0.26)	(3.49)	(1.88)
	(b) Diluted	(1.13)	(0.79)	(0.26)	(3.49)	(1.88)
	ii. Earnings per share (after extraordinary items) (in Rupees)					
	(a) Basic	(1.13)	(0.79)	(0.26)	(3.49)	(1.88)
	(b) Diluted	(1.13)	(0.79)	(0.26)	(3.49)	(1.88)

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors respectively at the adjourned meetings held on 06.06.2016.
- The Accumulated losses of the company had exceeded its net worth again during 2011-12. 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 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 during FY 2012-13 and 2013-14. In the NOFN Project tender floated for 4,04,995 KMs. by BBNL the Company received APO from BBNL in Feb, 2014 and 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 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 48 KMs out of 580 KMs. Consignee details are not provided for balance of around 1112 KMs. The Company has received order form railways around 280 KMs of 24F (A) (Optical Fibre Cable) OFC worth of Rs. 2.04 crores. Company has also got APO for supply 290 Kms of 12 ADSS of Cable (Valuing of Rs.1.62 Crores) from WTR BSNL in January 2016. This work is under execution. 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 of Govt of India, and TIDCO the accounts have been prepared on "Going Concern basis" for the present.
- Same Accounting Policies as that of last financial year are followed in the current financial Year.

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4	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.
5	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.
6	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 High court and the proceedings are in progress.
7	Depreciation has been provided as per the requirement of Part C of Schedule II to the Companies Act, 2013.
8	There was insurance claim of Rs.7.47 crores towards fire incident in factory store yard on 12.01.2015 where most WIP inventories, part of external portion of factory building etc., got damaged. Accordingly the damaged WIP Inventory value of Rs. 6.24 crores (excluding Excise Duty and Salvage Value) and the actual expenditure claimed of Rs.0.84 lakhs was accounted as Insurance claim receivable in the year ended 31.03.2015 crediting other income. The claim is now approved by the Insurance company for a total value of Rs.6.5 crores as full and final settlement against the claim value of Rs.7.47 Crores, which is since received by the Company.
9	The figures of the quarter ended 31 st March 2016 and 31st March 2015 are the balancing figures between audited figures in respect of the full financial year and the published unaudited year to date figures upto third quarter of the respective financial years. Also, the figures upto the end of the third quarter were only reviewed and not subjected to audit.
10	Previous period's amounts are regrouped and rearranged to conform to the current period's classification.
11	The Audited accounts are subject to supplementary audit by the Comptroller and Auditor General of India u/s 143(6)(a) of the Companies Act, 2013.

12	Statement of Assets and Liabilities (Audited) as at 31st March			
				(Rs. In lakhs)
	BALANCE SHEET		2016	2015
	SHAREHOLDERS FUNDS:			
	(a) Share Capital		4,567.62	4,567.62
	(b) Reserves & Surplus		(9,918.00)	(8,322.58)
	Non -Current Liabilities		227.00	217.47
	Current Liabilities		8,510.37	7,563.86
	TOTAL		3,386.99	4,026.37
	ASSETS			
	Non -Current Assets			
	Fixed assets - Tangible		977.97	1,008.89
	Long term loans and advances		8.90	12.21
	Current Assets			
	(a) Inventories		357.73	778.69
	(b) Trade Receivables		1,206.42	1,359.59
	(c) Cash and cash equivalents		20.71	15.63
	(d) Other Current assets		709.77	709.77
	(e) Short term loans and advances		105.49	141.59
	TOTAL		3,386.99	4,026.37

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 successfully. No further business is in this front, during the period under review. Few outstanding exists, hence Tablet PC is disclosed as a separate segment.

Sl.No	PARTICULARS	(Amounts in Lakhs of Rupees)				
		Three months ended			Year ended	
		31st March, 2016	31st Dec, 2015	31st March, 2015	31st March, 2016	31st March, 2015
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	Segment Revenue (Net Revenue):					
	(a) OFC	157.36	16.02	391.01	418.56	1,414.79
	(b) Revenue from Tablet PC	-	-	-	-	-
	Total	157.36	16.02	391.01	418.56	1,414.79
	Less: Inter Segment Revenue	-	-	-	-	-
	Net Revenue	157.36	16.02	391.01	418.56	1,414.79
2	Segment Results : Unallocated	(513.95)	(361.31)	(117.62)	(1,595.42)	(857.49)
3	Capital Employed:					
	(Segment Assets - Segment Liabilities)					
	(a) OFC	(5,137.96)	(4,842.11)	(3,555.38)	(5,137.96)	(3,555.38)
	(b) Tablet PC	5.68	5.68	5.68	5.68	5.68
	Total	(5,132.28)	(4,836.43)	(3,549.70)	(5,132.28)	(3,549.70)

For and on behalf of the Board of Directors

Place: Chennai
Date : 06/06/2016

V.S.PARAMESWARAN
Managing Director