



TAMILNADU TELECOMMUNICATIONS LIMITED

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

OPTICAL FIBRE CABLE DIVISION



Works: E18B-24, CMDA Industrial Complex, Maraimalai Nagar - 603 209. Phone : (044) 27453881, 27452406, 27451095, Telefax : +91-44-27454768

TTL/NSE/BSE/2021-22

Dt.15.11.2021

<p>To The Manager, M/s.National Stock Exchange Of India Limited, "Exchange Plaza", Bandra Kurla Complex, Bandara (East), MUMBAI – 400 051</p> <p>Scrip Code: TNTELE</p>	<p>To The Manager, Bombay Stock Exchange Limited, Floor No. 25, PJ Towers, Dalal Street, MUMBAI – 400 001</p> <p>Scrip Code:523419</p>
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Dear Sir/Madam,

SUB: Un-audited Financial Results of M/s. Tamilnadu Telecommunications Limited for the second quarter ended on 30.09.2021.

With reference to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the meeting held on 15.11.2021 (Monday) at 03.30 p.m, the Board of Directors of M/s. Tamilnadu Telecommunications Limited has approved the un-audited results of the Company for the quarter ended 30.09.2021. Please find enclosed herewith the following for your information and records:

- 1) Duly authenticated Statement of the the Unaudited Fianancial results of the Company for the second quarter and half-year ended on 30.09.2021 along with other relevant periods, as per the SEBI prescribed format.

Kindly take above information on record.

Thanking You,
Yours Faithfully,


J Ramesh Kannan
Managing Director
DIN 09292181

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

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AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 30TH SEPTEMBER 2021

(Amount in Hundreds of Rupees)

Particulars	Half year ended 30.09.2021	Year ended 31.03.2021	Half year ended 30.09.2020
	(unaudited)	(audited)	(unaudited)
Total income from Operations	1,036	6,539	776
Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	(5,30,606)	(9,89,261)	(5,29,812)
Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	(5,30,606)	(9,89,261)	(5,29,812)
Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	(5,30,606)	(9,89,261)	(5,29,812)
Total Comprehensive Income for the period (comprising Profit/(Loss) for the period after tax and Other Comprehensive Income (after Tax)	(5,30,606)	(9,80,287)	(5,29,812)
Equity Share Capital	45,67,620	45,67,620	45,67,620
Reserves (excluding Revaluation Reserve)	(1,77,62,272)	(1,72,31,666)	(1,67,81,192)
Earnings Per Share (of Rs.10 each) (for continuing and discontinued operations) in Rupees			
1)Basic	(1.16)	(2.17)	(1.16)
2)Diluted	(1.16)	(2.17)	(1.16)

Notes:-

1) The Ind AS compliant interim unaudited standalone financial statements for the corresponding Six months ended 30/09/2021 have been prepared in accordance with the regulations and measurement principles laid down in Ind AS-34- "Interim Financials Reporting" prescribed as per section 133 of the Companies Act 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. The Ind AS compliant interim unaudited stand alone financial statements for the corresponding quarter have been stated in terms of SEBI circular no. CIR/CFD/FAC/62/2016 dated 05/07/2016.

2) The above is an extract of the detailed format of Quarterly / Annual Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly / Annual Financial Results are available on the Stock Exchange websites(National Stock exchange of India Limited (www.nseindia.com) & BSE Limited (www.bseindia.com) and the Company Website (www.ttlcofc.in).

For and on behalf of the Board of Directors

Place: Chennai

Date : 15.11.2021


J Ramesh Kannan
 Managing Director



(Indian Rupees in hundreds)

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2021						
Particulars	For the Quarter Ended			For the Six Months Ended		For the Year
	Sep 30, 2021	June 30, 2021	Sep 30, 2020	Sep 30, 2021	Sep 30, 2020	March 31, 2021
(Refer Notes Below)	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(I) Revenue from Operations	-	-	-	-	-	-
(II) Other Income	554	483	302	1,036	776	6,539
(III) Total income (i+ii)	554	483	302	1,036	776	6,539
(IV). Expenses						
(a) Cost of Materials consumed	-	-	-	-	-	-
(b) Excise Duty	-	-	-	-	-	-
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-	-
(d) Employee benefits expense	33,427	56,802	43,883	90,229	87,875	1,10,630
(e) Finance Cost	2,07,446	2,02,129	2,00,995	4,09,575	4,10,702	8,08,873
(f) Depreciation and amortisation expense	6,978	6,803	6,712	13,781	14,015	34,815
(g) Other expenses	8,877	9,180	6,596	18,057	17,996	41,482
Total Expenses(IV)	2,56,728	2,74,914	2,58,186	5,31,642	5,30,588	9,95,800
(V). Profit / (Loss) before exceptional items and Tax ((III-IV)	(2,56,174)	(2,74,431)	(2,57,884)	(5,30,606)	(5,29,812)	(9,89,261)
(VI). Exceptional Items	-	-	-	-	-	-
(VII) Profit / (Loss) before tax (V-VI)	(2,56,174)	(2,74,431)	(2,57,884)	(5,30,606)	(5,29,812)	(9,89,261)
(VIII). Tax expense						
Current Tax	-	-	-	-	-	-
Deferred Tax	-	-	-	-	-	-
(IX) Net Profit / (Loss) for the period from Continuing Operation after tax (VII-VIII)	(2,56,174)	(2,74,431)	(2,57,884)	(5,30,606)	(5,29,812)	(9,89,261)
(X) Profit / (Loss) from discontinued operations before	-	-	-	-	-	-
(XI) Tax Expense of discontinued operations	-	-	-	-	-	-
(XII) Profit / (Loss) from discontinued operations after tax (X-XI)	-	-	-	-	-	-
(XIII). Profit / (Loss) for the period	(2,56,174)	(2,74,431)	(2,57,884)	(5,30,606)	(5,29,812)	(9,89,261)
(XIV). Other Comprehensive Income	-	-	-	-	-	8,974
(XV) Total Comprehensive Income for the period [(XIII-XIV) Comprising profit/(Loss) from ordinary activities after tax and Other Comprehensive Income for the period]	(2,56,174)	(2,74,431)	(2,57,884)	(5,30,606)	(5,29,812)	(9,80,287)
(XVI). Paid-up equity share capital (Face Value of Rs 10.Each)	45,67,620	45,67,620	45,67,620	45,67,620	45,67,620	45,67,620
(XVII) Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year	(1,77,62,272)	(1,75,06,097)	(1,67,81,192)	(1,77,62,272)	(1,67,81,192)	(1,72,31,666)
(XVIII) Earnings Per Equity Share (for Continuing Operation) (of Rs 10/- each) (not annualised):						
(a) Basic	(0.56)	(0.60)	(0.56)	(1.16)	(1.16)	(2.17)
(b) Diluted	(0.56)	(0.60)	(0.56)	(1.16)	(1.16)	(2.17)

J. Ramesh Kannan
J. Ramesh Kannan
Managing Director



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STATEMENT OF ASSETS AND LIABILITIES

(Indian Rupees in Hundreds)


Particulars	As at	
	30-Sep-21	31-Mar-21
ASSETS		
1 NON CURRENT ASSETS		
(a) Property ,Plant and Equipment	8,11,651	8,27,882
(b) Other non-current assets	1,835	1,835
Total Non current assets	8,13,486	8,29,717
2 CURRENT ASSETS		
(a) Inventories	1,07,822	1,07,822
(b) Financial Assets		
(i) Trade Receivables	7,12,711	7,13,621
(ii) Cash and Cash equivalents	53,198	41,125
(iii) Short term loans	207	207
(c) Other current assets	1,88,161	1,74,410
Total Current assets	10,62,099	10,37,185
Total Assets	18,75,585	18,66,902
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share Capital	45,67,620	45,67,620
(b) Other Equity	(1,77,62,272)	(1,72,31,666)
Total Equity	(1,31,94,652)	(1,26,64,046)
LIABILITIES		
1 Non Current Liabilities		
(a) Financial Liabilities		
(i) Long term borrowings	11,65,730	11,65,730
(b) Long Term Provisions	4,84,367	4,71,824
Non Current Liabilities	16,50,097	16,37,554
2 Current Liabilities		
(a) Financial Liabilities		
(i) Short term Borrowings	18,38,756	17,30,970
(ii) Trade Payables	62,26,222	62,27,964
(iii) Other Financial liabilities	44,56,532	40,47,286
(b) Other current liabilities	2,85,959	2,74,229
(c) short term provisions	6,12,671	6,12,945
Current Liabilities	1,34,20,140	1,28,93,394
Total of Equity and Liabilities	18,75,585	18,66,902

For and on behalf of the Board of Directors

Place : New Delhi

Date : 15.11.2021

J. Ramesh Kannan
J. Ramesh Kannan
Managing Director



Notes to Published Results:

- 1) The IND AS compliant interim unaudited stand alone financial statements for the three months period ended 30th September 2021 have been prepared in accordance with the regulations and measurement principles laid down in Ind AS - 34 " Interim Financial Reporting" prescribed as per section 133 of the Companies Act 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. The management have exercised necessary due diligence and ensured that the aforesaid statement provide a true and fair view of its affairs in accordance with the Companies (Indian Accounting Standards) Rules 2015.
- 2) The above results have been reviewed and approved by the Board of Directors at its meeting held on **15th November 2021**
- 3) The accumulated losses of the Company, Rs. 1,776,227,181/- as of 30th September 2021 had exceeded the net worth of the Company. The net worth of the Company as of 30th September 2021 is negative at Rs. 1,319,465,181/-.
- 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 quarter.
- 6) Provision for Employee Benefits have been made on estimated basis.
- 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.131,36,16,217/- 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 30th September 2021 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.



13) Contingent Liabilities

a) Commercial Tax Department had demanded a sum of Rs.1,86,08,794/- 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. 75,00,000 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. 17,74,729/- towards short deduction of TDS against interest payable to TCIL. We have represented the case with IT Department.

e) Total penalty amounting to Rs. 47,76,640/- 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) Previous period's amounts are regrouped and rearranged to conform to the current period's classification.

15) The financial results have been reviewed by the Statutory Auditors as required under Regulation 33 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and adverse conclusion has been given in their Limited review report on the unaudited financial results for the Quarter ended September 30,2021 in respect of the following matters:

a) The Company's financial statements have been prepared using the going concern assumption of accounting. However, the Company's accumulated losses of Rs. 1,776,227,181/- has eroded the Net Worth of the Company, indicating the existence of material uncertainty that may cast a doubt about the Company's ability to continue as a Going Concern. The Company has not operated its factory since August 2017 and NO sales effected for more than two years. It is also pertinent to note that power connections in the factory are disabled. Further, as represented by the company, the machineries would involve major overhauling cost to resume operations and the company is also unable to obtain support for supply of major raw material required for manufacture from its supplier. Also, the company has not bagged any new orders to substantiate the going concern assumption.



As per Standard on Auditing (SA) 570, "If the financial statements have been prepared using the going concern basis of accounting but, in the auditor's judgment, management's use of the going concern basis of accounting in the financial statements is inappropriate, the requirement in paragraph 21 for the auditor to express an adverse opinion applies regardless of whether or not the financial statements include disclosure of the inappropriateness of management's use of the going concern basis of accounting."

Hence, considering the cumulative effect of the factors detailed in the above paragraph in the revival of the company, the auditors have concluded that the Going Concern assumption of the management in preparation of financial statements is inappropriate.

b) The Company has not recognized the following financial liability/asset at fair value in terms of Ind AS 109 and impact of the same on the financial Statements is not ascertainable.

- i. Amount due to Fujikura Ltd amounting to Rs.1,98,07,090/- and
- ii. Trade receivables (considered good) amounting to Rs.7,12,71,137/-
- iii. Unsecured Trade Payables amounting to Rs. 3,38,38,131/-

16) The Auditors have drawn attention to the following matters in their Limited review report for the quarter ended 30th September 2021.

a) Note No. 8 of the notes to Statement of unaudited financial results and Statement of assets and liabilities which states the reason for non-recognition of amounts due to the holding Company viz., Telecommunications Consultants India Limited amounting to Rs. Rs.131,36,16,217/- at Fair Value in accordance with IndAS 109.

b) Note No. 9 of the notes to Statement of unaudited financial results and Statement of assets and liabilities, which states that the balances carried in the debtors, creditors, advances & deposits payable / recoverable are subject to confirmation from all parties (other than Telecommunications Consultants India Limited).

C) The company has not carried out actuarial valuation as of 30th September 2021, relating to Gratuity and leave encashment benefits in terms of Ind AS 19 impacting total comprehensive income attributable to equity shareholders.

d) The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence the disclosure relating to amounts unpaid as at the quarter end together with interest paid / payable under this Act could not be ascertained.

17) Revival of TTL

(a) Renowned Consultant has been appointed on 28th July 2021 to give report on monetisation of factory and vacant land for implementation of their suggestion for revival of the company. Preliminary Report has been submitted and it is under review.

(b) Diversification of business is being explored to sustain in the competitive cable industry.

(c) Preferential orders from Tamil Nadu Fibrenet Corporation (TANFINET), State PSU, for supplying Optical Fiber Cable in Tamilnadu (for implementation of Bharatnet project in Tamilnadu) is being pursued from State Govt. Of Tamilnadu through TIDCO

(d) Business partners are being explored / contacted for fresh investment in the company for revival of the factory and in the new areas of business.

J. Ramesh Kannan



J. Ramesh Kannan
Managing Director