TAMILNADU TELECOMMUNICATIONS LIMITED

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

OPTICAL FIBRE CABLE DIVISION

IS/ISO 9001 2000 Raad voor Accreditatie

Works: E188-24, CMDA Industrial Complex, Moraimalai Nagar - 603 209. Phone : (044) 27453881, 27452406, 27451095, Telefax : +91-44-27454768

To,

The Manager,

M/s.National Stock Exchange Of India Limited,

"Exchange Plaza", Bandra Kurla Complex,

Bandara (East), MUMBAI – 400 051

Scrip Code: TNTELE

Dear Sir / Madam,
Sub: Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements), 2015

Please find enclosed the Annual Report of the Company for the Financial Year 2018-19 along with Notice for the 31st Annual General Meeting of the Members of the Company to be held on September 27, 2019.

This is for your information and record.

Thanking You ,

Yours Sincerely,

For Tamilnadu Telecommunications Limited

Company Secretary

Registered Office : No.16, 1st Floor, Azia Mulk 3rd Street, Thousand Lights, Chennai - 600 006.
Phone (044) 28292653

Scanned by CamScanner

Tamilnadu Telecommunications Limited

Route Map of the venue of the meeting





31st Annual Report
2018-19

TABLE OF CONTENTS

	Page No
Notice to Share holders	1
Board's Report	6
Report on Corporate Governance	21
Secretarial Audit Report	28
Independent Auditors' Report	31
Balance Sheet	39
Statement of Profit & Loss	40
Cash Flow Statement	42
Notes forming part of the Accounts	43

Board of Directors	Shri.Rajiv Gupta	(DIN: 06993918)	-	Chairman and Director
	Shri.Sanjeev Kumar Kesari	(DIN: 08082217)	-	Managing Director
	Shri.Kamendra Kumar	(DIN: 07578257)	-	Director
	Shri.B.Elangovan	(DIN:00133452)	-	Director
	Shri.B.Ramakrishnan	(DIN:00182214)	-	Director
	Shri V.Arun Roy	(DIN: 01726117)	-	Director
	Mrs. Shivalini Sinha	(DIN: 08469902)	-	Director

Company Secretary	:	Ms. Swapnil Gupta
Chief Financial Officer	:	Shri. J Ramesh Kannan
Registered Office	:	No.16, 1st Floor, Aziz Mulk 3rd Street, Thousand Lights, Chennai – 600 006 CIN : L32201TN1988PLC015705 Telefax : 044-28292653, Website : www.ttlofc.in
Factory	:	E 18B – E24, CMDA Industrial Complex, Maraimalainagar – 603 209, Tamilnadu
Auditors	:	M/s. R.Bupathy & Co., Chartered Accountants, 'Vibgyor', First Floor, # 139, Kodambakkam High Road, Chennai – 600034.
Secretarial Auditors	:	Shri. Jeevan Jyoti Nayak, M/s. Jeevan Jyoti Nayak & Associates, Practicing Company Secretaries, office No 16/25 B (First floor) Second street Venkataratnam Nagar Extension, Chennai - 600 020.
Promoters	:	Telecommunications Consultants India Limited, 'TCIL BHAWAN', Greater Kailash – I, New Delhi – 110 048 Tamilnadu Industrial Development Corporation Limited, 19-A, Rukmani Lakshmipathy Road, Egmore, Chennai – 600 008.
Registrar & Share Transfer Agents	:	Cameo Corporate Services Limited, "Subramanian Building" No.1, Club House Road, Chennai – 600 002. Phone : 044 – 28460390

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this Green Initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form may register their email Id by informing the same to the Company or its R&T Agent.

Note : 1. No Gifts / Coupons will be distributed at the meeting
2. Please bring your copy of the enclosed Annual Report to the meeting

NOTICE

Notice is hereby given that the 31st Annual General Meeting of the Members of Tamilnadu Telecommunications Limited is to be held at 11.30 a.m. on Friday, 27th September 2019 in the Mylapore Fine Arts Club, 45 Musiri Subramaniam Road, Mylapore, Chennai-600004, to transact the following business.

Ordinary Business

01. To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31st March 2019 including the Audited Balance Sheet as at 31st March 2019, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors' Report thereon.

02. To appoint a Director in place of Shri. Rajiv Gupta (DIN 06993918), who retires by rotation and being eligible, offers himself for re-appointment.

03. To appoint a Director in place of Shri. B. Elangovan (DIN 00133452), who retires by rotation and being eligible, offers himself for re-appointment.

04. To fix the remuneration of the Statutory Auditors for the financial year 2019-20. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution

    "RESOLVED THAT the fee for the Statutory Audit be and is hereby approved at Rs.1,00,000/- (One Lac only) plus applicable taxes for the year 2019-20 to the M/s R.Bupathy & Co., Chartered Accountants, Chennai, as Statutory Auditors of the Company."

    RESOLVED FURTHER THAT the Company Secretary or any Director of the Company be and is hereby also authorized to do all such acts, deeds, matters, things & writings as may deem fit, proper, expedient or necessary to give effect to the said resolution."

Special Business

05. To consider and approve the regularization of the appointment of Shri Kamendra Kumar as Director of the Company.

    To consider and, if thought fit, to pass with or without modification(s) if any, the following Resolution as an Ordinary Resolution

    "RESOLVED THAT pursuant to the provisions of sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), Shri Kamendra Kumar, (DIN: 07578257) who was appointed as an Additional Director w.e.f. 19.11.2018 and who holds office up to the date of this Annual General Meeting of the Company, be and is hereby appointed as Director of the Company.

    RESOLVED FURTHER THAT any Director or Company Secretary of the Company be & is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to the aforesaid resolution."

06. To consider and approve the regularization of the appointment of Mrs. Shivalini Sinha as Director of the Company.

    To consider and, if thought fit, to pass with or without modification(s) if any, the following Resolution as an Ordinary Resolution:

    "RESOLVED THAT pursuant to the provisions of sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), Mrs. Shivalini Sinha, (DIN: 08469902) who was appointed as an Additional Director w.e.f. 02.06.2019 and who holds office up to the date of this Annual General Meeting of the Company, be and is hereby appointed as Director of the Company.

    RESOLVED FURTHER THAT any Director or Company Secretary of the Company be & is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to the aforesaid resolution."

By order of the Board
For **TAMILNADU TELECOMMUNICATIONS LIMITED**

Place: Chennai
Date: 06.09.2019

Sanjeev Kumar Kesari
Managing Director
(DIN 08082217)

To
1. **All the members of the Company**
2. **Statutory Auditors**
3. **Secretarial Auditors**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member. Proxies in order to be effective should be deposited at

the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization.

2. Members/Proxies and Authorized representatives are requested to bring to the Meeting, the attendance slips enclosed herewith duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the Board Resolution authorizing the representative to attend and vote on their behalf at the Meeting.

3. In case of Joint Holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

4. The Company's Registrar and Share Transfer Agents for its Share Registry Work (Physical and Electronic) are M/s. Cameo Corporate services Limited , having their office premises at "Subramanian Building" 5th Floor,No.1, Club House Road, Chennai – 600 002, Email : cameo@cameoindia.com Phone : 044-28460390 Fax : 044-28460129. The Register of Members and Transfer Books of the Company will be closed from 21st September 2019 to 27th September 2019 (both days inclusive).

5. Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, transfer and Refund) Rules, 2016 as amended, dividends that are unclaimed for a period of seven years are required to be transferred to the Investors Education and Protection Fund (IEPF) administered by the Central Government. As on date, there are no unclaimed dividends.

6. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to the Company along with the proof thereof.

7. Members holding shares in physical form are requested to advise any change of address and are also to submit their specimen signatures duly attested by their Bank immediately to the Company. Members holding shares electronically in dematerialized form must advice any change of address to their respective Depository Participant.

8. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 and Rules thereon. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH - 13 duly filled in to M/s. Cameo Corporate Services Ltd, at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.

9. Members holding shares in physical form requested to intimate any change of bank mandate to M/s. Cameo Corporate Services Ltd / to the Company immediately.

10. SEBI vide notification No.SEBI/LD-NRO/GN/2018/24 dated June 8, 2018, has amended Regulation 40 of Listing Regulations, mandating transfer of securities to be carried out only in dematerialised form (except in case of transmission or transposition of securities) which shall be effective April 1, 2019. Accordingly requests for transfer of securities of listed entities shall not be processed unless the securities are held dematerialised form with depositories. In view of the same Members holding shares in physical form are requested to consider converting their holdings to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management.

11. Pursuant to regulation 44 of the SEBI Listing Regulations, 2015, read with Section 108 of the Companies Act, 2013, and the relevant Rules, the Company has entered into an arrangement with CDSL to facilitate the members to exercise their right to vote at the AGM by electronic means. Instructions for exercise of voting rights by electronic means are furnished separately in the Annual Report.

12. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, M/s. Cameo Corporate Services Ltd, cannot act on any request received directly from the members holding shares in electronic form for any change in the bank particular or bank mandates. Such changes are to be advised only to the Depository Participant of the members.

13. Members are requested to:

    (i) intimate to the Company's Registrar and Transfer Agents, M/s. Cameo Corporate Services Ltd, at the above mentioned address, changes, if any, in their registered addresses at an early date, in case of shares held in physical form;

    (ii) intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of shares held in dematerialized form;

(iii) quote their folio numbers/Client ID/DP ID in all correspondence;

(iv) consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.

14. Particulars of the Directors seeking re-appointment in the forthcoming AGM Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

A. **Shri Rajiv Gupta,** aged 58 years has been in the Board of the Company since April 2017. He is a B.Sc. (Engg) from Delhi College of Engineering, Delhi in 1982, and P.G. Diploma in Management in Public Policy & Management from MDI, Gurgaon. He has got more than 30 years of experience in different fields of Telecom. He holds NIL shares in TTL. The details of Directorships / Committee Membership in other companies.

Name of the Companies	Nature of Interest
Intelligent Communications Systems India Ltd	Director
TBL International Limited	Director
TCILBina Toll Road Limited	Director
TCIL Lakhnadone Toll Road Limited	Director
Bharti Hexacom Limited	Director
Telecommunications Consultants India Limited	Director

B. **Shri.B.Elangovan,** aged 55 years has been in the Board of the Company since December 2008. He is a Master Degree holder in Mechanical Engineering and has rich technical experience. He holds NIL shares in TTL. The details of Directorships / Committee Membership in other companies.

Name of the Companies	Nature of Interest
Southern Petrochemical Industries corporation Limited	Nominee Director
Jayamkondam Lignite Power Corporation Limited	Nominee Director
Arkonam Castings and Forgings Limited	Nominee Director
Tamilnadu Trade Promotion Organisation	Nominee Director
IT Expressway Limited	Director
TamilNadu Road Development Company Limited	Director
Tidel Park Coimbatore Limited	Managing Director
Tidel Park Limited	Managing Director

15. In terms of Regulations 26(4) and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the secretarial standard -2 on "General Meeting, the particulars of Directors seeking to be re-appointed / appointed in this AGM, nature of their expertise in specific functional areas, their other directorships and committee memberships, their shareholding and relationship with other directors of the Company are given below. Members are requested to kindly refer the Chapter on Corporate Governance in the Annual Report.

16. The Notice of the 31st AGM along with the Annual Report of 2018-19 is being sent by electronic mode to those Members whose email addresses are registered with the Company / Depository Participants, unless any Member has requested for a physical copy of the same. For Members who have not registered their email addresses, a physical copy is being sent by permitted mode. To support the 'Green Initiative' Members who have not registered their email addresses are required to register the same with the Company / Depository. Members may note that this Notice and the Annual Report 2018-19 will also be available on the Company's website viz. www.ttlofc.in.

17. Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the management to reply at the meeting. For any communication, the Members may also send requests to the Company's investor email id: mdpa2018ttl@gmail.com

18. Voting through electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 Regulations, the Company is pleased to offer e-voting facility to its members to exercise their right to vote at the 31st Annual General Meeting (AGM) by electronic means in respect of the businesses to be transacted at the AGM, through the remote e-voting platform provided by M/s. Cameo Corporate services Ltd (CAMEO).

The Members may cast their votes using an electronic voting system from a place other than the venue of the

Meeting ('remote e-voting'). Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their rights at the meeting. Facility of voting through ballot shall also be made available at the meeting.

19. An Explanatory statement pursuant to section 102 of the Companies Act, 2013 relating to the special Business is annexed.

20. The Route map of the venue of the annual General meeting is annexed to the notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

The Board of Directors in their 160th meeting held on November 19, 2018 has appointed Shri Kamendra Kumar, Director (TCIL) as an Additional Director of the Company w.e.f. November 19, 2018. Pursuant to the provisions of section 161 of the Companies Act, 2013, Shri Kamendra Kumar holds office till the conclusion of the ensuing Annual General Meeting of the Company.

Accordingly, in terms of the requirements of the provisions of the Companies Act, 2013 approval of the members is required for regularisation of Shri Kamendra Kumar as Director.

None of the Directors/Key Managerial Personnel of the Company & their relatives except Shri Kamendra Kumar are, in any way, concerned or interested, financial or otherwise in the resolution set out at item no. 5 of the notice.

The Board recommends the resolution set forth in item no. 5 for the approval of the members as an Ordinary Resolution.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 6

The Board of Directors in their 163rd meeting held on August 08, 2019 has appointed Mrs. Shivalini Sinha, Executive Director (TCIL) as an Additional Director of the Company w.e.f. June 02, 2019. Pursuant to the provisions of section 161 of the Companies Act, 2013, Mrs Shivalini Sinha holds office till the conclusion of the ensuing Annual General Meeting of the Company.

Accordingly, in terms of the requirements of the provisions of the Companies Act, 2013 approval of the members is required for regularization of Mrs Shivalini Sinha as Director.

None of the Directors/Key Managerial Personnel of the Company & their relatives except Mrs Shivalini Sinha are, in any way, concerned or interested, financial or otherwise in the resolution set out at item no. 6 of the notice.

The Board recommends the resolution set forth in item no. 6 for the approval of the members as an Ordinary Resolution.

<u>The Procedure and instructions for remote e-voting are as under:</u>

Voting through electronic means will commence on 23th September 2019 at 11:00 AM and will end on 26th September 2019 at 5:00 PM. The members will not be able to cast their vote electronically beyond the date and time mentioned above.

i. The voting rights of the Members holding shares in physical form or in dematerialized form, in respect of remote e-voting shall be reckoned in proportion to their shares of the paid up equity share as on the cut – off date being 20th September 2019.

ii. Any person who acquires Shares of the Company and become Member of the Company after the dispatch of the AGM Notice and holds shares as on the cut-off date i.e. 20th September 2019 may obtain the User Id and password in the manner as mentioned below:

   (i) The shareholders should log on to the e-voting website www.evotingindia.com.

   (ii) Click on "SHAREHOLDERS" Tab

   (iii) Select "TAMILNADU TELECOMMUNICATIONS LIMITED" from the drop down box and click "SUBMIT"

   (iv) Now Enter your User ID

      a. For CDSL: 16 digits beneficiary ID,

      b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

      c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

   (v) Next enter the Image Verification as displayed and Click on Login.

   (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field(Sl. No. mentioned in your address label can be used as Sequence No. for this purpose).
DOB#	Enter the date of birth as recorded in your demat account or in the company records for the said demat account or folio in DD/MM/YYYY format.
Dividend bank details#	Enter the dividend bank details as recorded in your demat account or in company records for the said demat account or Folio

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will reach directly the Company selection screen. However, Members holding shares in demat form will now reach 'Set Password' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for Tamilnadu Telecommunications Limited.

(xii) On the voting page, you will see "Resolution Description" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "CLICK HERE TO PRINT" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to log on to https://www.evotingindia.co.in and register themselves as Corporate. After receiving the login details they have to link the account (s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

iii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

iv. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

v. The Scrutinizer shall within a period not exceeding two working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.

vi. Mr. Jeevan JyotiNayak, Proprietor of Jeevan JyotiNayak and associates Practicing Company Secretary has

been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

vii. The Results shall be declared after remote E voting and physical ballot after the AGM of the Company and the resolutions will be deemed to be passed on the date by the Company subject to the receipt of requisite number of votes in favor of the resolution. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL and communicated to the Stock Exchanges.

viii. Details of Scrutinizer: Mr. Jeevan JyotiNayak, Practicing Company Secretary

a) The Scrutinizer's decision on the validity of the vote shall be final.

b) Once the vote on a resolution stated in this notice is cast by shareholder through remote e-voting, the shareholder shall not be allowed to change it subsequently and such e-vote shall be treated as final. The Members who have cast their vote by remote e-voting may also attend the Meeting; however such member shall not be allowed to vote again.

c) The Scrutinizer after scrutinizing the votes cast at the Meeting by Poll and through remote e-voting, will not later than two (2) days of conclusion of the Meeting, make a consolidated Scrutinizer's Report and submit the same forthwith to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same.

d) The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company (www.ttlofc.in). The Results shall simultaneously be communicated to Bombay Stock Exchange Limited and National Stock Exchanges.

e) The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 27.09.2019 subject to receipt of the requisite number of votes in favor of the Resolutions.

By order of the Board
For **TAMILNADU TELECOMMUNICATIONS LIMITED**

Place: Chennai
Date: 06.09.2019

Sanjeev Kumar Kesari
Managing Director
(DIN 08082217)

BOARD'S REPORT

To
The Members

The Board of Directors hereby submits the thirty first Annual Report of the Company with Audited Financial Statements for the period from 1st April 2018 to 31st March 2019 along with the Auditors Report.

FINANCIAL HIGHLIGHTS

The financial performance of your company is as given below:-

(Rs. in Lakhs)

	2018-19	2017-18
Revenue from operations	-	160.69
Other Income (Net)	5.46	3.85
Total Revenue	5.46	164.54
Total Expenditure	649.43	728.46
Finance Charges	896.65	844.20
Extraordinary / Exceptional items	-	2.15
Gross Profit / (Loss) after interest before Depreciation & Tax	(1540.62)	(1410.27)
Depreciation and Amortization Expense	29.93	30.26
Provision for Taxation / Deferred Tax	-	-
Net Profit / (Loss)	(1570.55)	(1440.53)
Other Comprehensive Income /(Loss):Item that will not be reclassified to Profit and Loss	(22.91)	20.55
Total Comprehensive Income/(Loss) for the Period	(1593.46)	(1419.98)

The net loss after Tax is Rs. (1593.46) lakhs against net loss of Rs. (1419.98) lakhs made during the previous year.

Review of Operations

During the year under review, the company's other income was Rs. 5.46 lakhs. Due to non-availability of raw fiber there is no operation in the company.

Market Scenario and Outlook

The demand for optical fiber has grown at a rapid scale due to development of infrastructure under smart city project and digital India promoted by Govt. of India.

The Smart City Mission (SCM) of the Govt. of India plans to accommodate the massive urbanization that is expected in the future by modernizing the existing mid-sized cities.

The cabinet approved the new telecom policy, now named National Digital Communications Policy (NDCP) 2018. It aims to provide access of broadband with 50 megabit per second to every citizen, attract USD 100 billion investments

in the sector and create 40 lakh jobs by 2022. Government has also outlined the programme of rolling out 5G mobile services for next-generation networks. This next generation of wireless access technology is expected to offer higher data capacity and speeds faster than 10 GB per second. Number of towers required to cover the areas would go manifold. Towers would have to be connected with OFC for providing sufficient backhaul capacity. The government also aims to boost WiFi ecosystem in the country by deploying 5 million public Wi-Fi hotspots by 2020 and 10 million by 2022. The Company is also exploring the possibilities for diversification in the related areas like manufacturing and supply of Ribbon Fiber Cable and OFC accessories.

The Broadband Policy, 2004 was laid down by the Government of India in order to realize the potential of broadband services. India's BharatNet broadband project, which expected to connect 250,000 gram panchayats, after completing 100,000 GPs in phase-I in December 2017. It aimed at enhancing the quality of life by implementation of tele-education, tele-medicine, e-governance, entertainment and also to generate employment through high speed access to information and web-based communication.

Currently, broadband penetration in India at present is less than 2%. As per World Bank study, a 10% increase in broadband connectivity leads to 1.38% increase in Gross Domestic Product (GDP). The optical fiber network that supports high speed broadband connectivity has predominantly reached state capitals, districts and blocks in India.

The Indian economy is continuing its high growth momentum. According to the International Monetary Fund India is forecast to grow at 7.4% in 2018 making us the fastest-growing economy in the world. Series of new initiatives initiated by the Government have moved India into world's top countries towards ease of doing business. The global economy is also growing at its fastest pace and expected to strengthen further in years to come.

Cautionary Statement

Statements in the Boards' Report contain forward looking statements. Actual results, performances or achievements may vary materially from those expressed or implied, depending upon economic conditions, Government policies, subsequent developments and other incidental factors.

Risk & Concern

The industry is facing challenging cost pressures as the cost of major raw materials are going up due to shortage & increase in oil prices. The variations in exchange rate fluctuation are also a threat towards cost of production. The competition within OFC business is becoming fierce due to emerging new technologies and frequent new product introductions in Optical fiber products which command competitive prices and preference in the market. The market price of cables is also varying due to competition.

Directors

In accordance with Sec.152 (6) and (7) of the Companies Act, 2013, read with Articles 79 & 80 of the Articles of Association of the company, Shri. B.Elangovan (DIN 00133452) and Shri. Rajiv Gupta (DIN 06993918), will retire from the directorship of the company by rotation and being eligible, offers themselves for re-appointment.

Directors' Responsibility Statement

As required under Section 134(5) of the Companies Act, 2013, the Directors of the Company hereby state and confirm that –

a) In the preparation of the annual accounts the applicable accounting standards had been followed.

b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2019, and the loss of the Company for the year ended on that date.

c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

d) They have prepared the annual accounts on a going concern basis considering the comparative growth in OFC market, future prospects of the Company with the support of TCIL.

e) They have laid down internal financial control to be followed by the company and that such internal financial control is adequate and was operating effectively.

f) They have devised proper system to ensure compliance with all provision of all applicable laws and that systems were adequate and operating effectively.

Extracts of the Annual Return

Pursuant section 92(3) of the Companies Act,2013 and Rule12(1) of the Companies (Management And Administration) Rules,2014, the extract of the Annual Return in Form MGT-9 has been attached as to form part of the Report.

Corporate Governance

A report on Corporate Governance with the Practicing Company Secretaries Certificate on compliance with conditions of the Corporate Governance has been attached as to form part of the Report.

Clarification on Practicing Company Secretaries observations is given below:

1. Due to non appointment of Independent Directors, the Company has not complied with Regulations

17(1) (b), 18 (1), 19(1) and 25 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of minimum number of Independent Directors in the Board, Constitution of Audit Committee and conducting a separate meeting of Independent Directors respectively.

2. **The Company has not complied with Regulation 17(1) (a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of having woman director in the Board.**

3. **The Company has not complied with Regulation 6 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of appointment of Company Secretary as Compliance Officer of the Company till 21.01.2019 during the period under review.**

4. **The Company has not complied with 46 (2) (b), (c), (e) (f) (g) and (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of disclosing information in the website of the Company.**

5. **The Company has not complied Regulation 9, 17(9), 30(4)(iii) & 30(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of Framing Policy for preservation of documents, Risk assessment and minimization procedures, Policy for determination of materiality of the disclosure of events and information and Archival Policy.**

Company's reply:

Points No (1) and (2) : The Company is Joint sector Govt. Company with 49% of its shares held by TCIL, a Govt. of India Enterprise and 14.63% held by TIDCO, a Govt of Tamilnadu Enterprise. Being a Govt. Company, action has already been taken for induction of Independent Directors and Woman Director in the Board of the Company with the Department of Telecommunications, Ministry of Telecommunications and the same are being followed up for early appointment to comply regulation 17(1)(b). Constitution of Audit Committee as per 18 (1) and Constitution of **Nomination and Remuneration** Committee as per regulation **19(1)** of SEBI LODR and separate Independent Directors Meeting as per 25 (3) of SEBI LODR shall be conducted after appointment of required number of Independent Directors by the Ministry of Telecommunications. The Company succeeded to induct a Woman Director on the Board of the Company from the promoter company TCIL from June 2019.

Point No (3): The management informed, company took all steps for the appointment of Company Secretary as per regulation 6 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, due to sick financially status of the Company, no response was received against advertisement made by the Company for the Appointment of Company Secretary during the Financial year 2018-19. A Company Secretary is now appointed w.e.f 13.02.2019 to look after the secretarial affairs of the company.

Point No (4) and (5) : Company has maintained the bare minimum disclosure on the website of the company and the policies of the company also could not be framed during the year due to the current financial position and other shortage of resources of the company.

Energy, Technology and Foreign Exchange

Particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Sec.134 (3)(m) of the Companies Act, 2013 are enclosed as part of the Report.

Details of director or Key Managerial Personnel who were appointed or have resigned during the year.

(i) Ms. Swapnil Gupta was appointed as Company Secretary on 13.02.2019

(ii) Shri V.Arun Roy, IAS was appointed on 19.11.2018 in place of Shri M.S.Shanmugam on his cessation on 19.11.2018.

Personnel

The Managing Director, the Key Managerial Personnel (CFO) and Company Secretary were deputed from the Promoter Company TCIL which is a Govt. of India Enterprise, holding 49% stake in the Company. Hence their remuneration was as per the scales applicable to their cadre in the promoter company.

The number of permanent employees as on 31.03.2019 was 67 excluding three officials on deputation from the promoter company.

None of the employees drew remuneration of Rs.60,00,000/- or more per annum / Rs.5,00,000/- or more per month during the year. This information is furnished as required under Rule 5(2)(i) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014.

Human Resources

Your company is glad to announce that the industrial relations continue to be very cordial. During the year, employees were given training on laying of Optical Cable, OFC splicing, OFC construction work and FTTH etc. TTL has been encouraging its employees to come out with innovative suggestions, which will pave way for significant cost savings as well as overall development of the company.

During the year 2018-19, M/s.Telecommunications Consultants India Limited decided to help TTL employees by taking them on deputation. Out of 67 no. of employees, 45 employees have either joined TCIL on deputation or in the process of joining. For remaining 22 employees, TTL has requested to M/s.Tamilnadu Industrial Development Corporation Ltd. (TIDCO) another promoter to absorb these employees on deputation.

Quality Management Systems

Your Directors are happy to report that as a commitment in meeting global quality standards, your company already has IS/ISO 9001:2015 quality management systems certification from Bureau of Indian Standards. The license is valid up to 22.02.2021.

Internal Control System

TTL has adequate internal control procedures in respect of all its operations. It has laid down internal control procedures to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and transactions are authorized, recorded and reported correctly. Internal Audit is being carried out by Independent Audit Firm of Chartered Accountants on an ongoing basis and it recommends appropriate improvements apart from ensuring adherence in company policies as well as regulatory compliance. The Audit Committee periodically reviews the audit findings.

Transfer to reserves

During the year under review no amount is being transferred to General Reserve Account.

Dividend

In a view of the losses your Directors have not declared any dividend during the year under review.

Deposits

During the year under section 73 and the rules may be called the Companies (Acceptance of Deposits) Rules, 2014, the Company has neither accepted nor renewed any deposits from public during the year under review.

Corporate Social Responsibility

Since the Company is continuously incurring losses, no CSR policy has been devised.

Related Party Transactions

There was no contract or arrangements made with related parties as defined under section 188 (1) of the Companies Act, 2013 during the year under review.

Research & Development (R&D)

The information as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 with respect to R&D are not applicable to your Company.

Particulars of Loans, guarantees or investments made under section 186 of the Companies Act, 2013

There were no loans, guarantees or investments made by the company exceeding the limits specified under Section 186 of the Companies Act, 2013 during the year under review and hence, the said provision is not applicable

Unsecured Loan

The unsecured loan amounting to Rs 110.96 crores as on 30.06.2019 is from related party i.e. holding company, has been taken on long term basis without any stipulation for repayment and other terms.

Information under section 197 of the Companies Act, 2013 read with rule 5(2) of the companies (appointment and remuneration of managerial personnel) rules, 2014 regarding employee's remuneration.

Information as per Section 197 of the Companies Act 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable to your company as there is no employee on the rolls of the Company. Accordingly there was no employee of the Company who received remuneration in excess of the limits prescribed under the Companies Act.

Statement under section 134(3)(p) of the Companies Act, 2013, regarding formal annual evaluation made by board of its performance and that of its committees and individual directors.

In terms of the notification dated 05.06.2015 issued by Ministry of Corporate Affairs, the company has been exempted from the above provision and hence the disclosure is no longer required.

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year to which the financial statements relates and the date of the report.

None

Information under section 134(3)(n) of the Companies Act, 2013 concerning development and implementation of risk management policy.

The company's operations are completely stopped only limited assistance by the holding company, which has a well defined risk management policy. Your company has not developed and/or implemented the Risk management policy on its own.

Vigil Mechanism under section 177(9) of the Companies Act, 2013

Your Company is in process of making the Whistle Blower Policy/ vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of your Company's Code of Conduct. Adequate safeguards are provided against victimization to those who avail of the mechanism will be provided soon.

Corporate Governance

The Company has always aimed at the highest level of transparency, accountability and equity in its operations. It is having a well defined corporate structure that establishes checks and balances, and delegate decision making to appropriate levels in the organization, though the board remains in effective control of the affairs of the company. Your Company also confirms the compliance of the Government of India's directives for implementation of Corporate Governance Norms for the CPSEs.

Auditors

In terms of Section 139 of the Companies Act, 2013, the Comptroller and Auditor General of India (CAG) had appointed M/s. R.BUPATHY & CO, Chartered Accountants as the Auditors of the company for the year 2018-19 at a remuneration of Rs.1,00,000/- besides reimbursement of traveling and out-of-pocket expenses at actual, subject to the other items and conditions as specified by the CAG.

Independent Auditor's Report

Clarification on Auditors observations is given below:

Basis for Qualified Opinion

The Company has not recognized the following financial liability/asset at Fair Value in terms of IndAS 109 (including comparative figures as of 31st March 2018):

i) Amounts due to M/s Fujikura Limited amounting to Rs. 1,93,78,840/- (Previous Year – Rs. 1,89,65,590/-)

ii) Trade Receivables (considered good) amounting to Rs. 7,12,57,092/- (Previous Year – Rs. 7,43,53,067/-)

iii) Unsecured Trade Payables amounting to Rs. 3,31,07,285/- (Previous Year – Rs. 3,28,46,998/-)

Qualified Opinion:

We have audited the standalone financial statements of Tamilnadu Telecommunications Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and the Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2019,the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to:

1) Note No.28 (Sl.No. 22) of the explanatory notes to the financial statements which states the reason for non-recognition of amounts due to the holding Company viz., Telecommunications Consultants India Limited amounting to Rs. 1,08,39,68,014/- (Previous Year – Rs. 97,17,45,550/-) at Fair Value in accordance with IndAS 109. Our opinion is not modified in respect of this matter.

2) Note Nos. 3,5,8,14,15 of the notes to financial statements, where the balances carried in the debtors, creditors, advances & deposits payable / recoverable are subject to confirmation from all parties (other than Telecommunications Consultants India Limited) as stated in Note No.28 (Sl. No. 2). The impact if any, on financial statements is not ascertainable and therefore our opinion is not modified in this respect.

3) Note No. 28(Sl. No. 19) of the explanatory notes to the financial statements which states that 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 year- end together with interest paid / payable under this Act could not be ascertained. Our opinion is not modified in this respect.

Company's Reply to Basis of Qualification and Para 1 of Emphasis of Matter regarding non-recognition of financial liability/asset at Fair Value in terms of IndAS 109.

As mentioned in our financials, TTL is regularly borrowing from our holding company TCIL for its raw material support and working capital support for running day to day operations. The balances of current liabilities and trade payable pertaining to related party / our holding company TCIL as on 31/03/2019 are given below.

(i)	Current liabilities – short term borrowing		
	(a) Bridge Loan	: Rs.	11,65,73,000
	(b) Working capital support loan	: Rs.	15,12,49,847
(ii)	Trade payable – Sundry creditors for raw material support	: Rs.	76,10,76,487
(iii)	Other current liabilities – interest accrued	: Rs.	5,50,68,682

Amounts due to Fujikura Limited amounting to Rs.1,93,78,840;

Trade Receivables (considered good) amounting to Rs.7,12,57,092.

Unsecured Trade Payables amounting to Rs. 3,31,07,285

This is to state that the above items are reviewed and monitored on day to day basis in both TTL and TCIL. The balances are periodically reconciled with TCIL and also approved by board of directors of TTL.

It may not be out of place to mention that all the realizations from TTL clients are routed through Escrow account which is auto credited to TCIL's Account for which standing instructions have been given to bank. Moreover, charge has been created in favour of TCIL against fixed assets and current assets of TTL for all the TCIL loans, advances and liabilities towards raw material supply. The loans are repayable on demand basis.

Ind AS 109 requires all financial assets/liabilities to be recognised initially at fair value and subsequently at amortised cost it satisfies the criteria with reference to Ind As 32 Para 11 and para 4.2.1 of Ind As 109. Since these financial assets/ liabilities are current in nature, there is immaterial finance cost/ income involved, therefore, as a general practice, demand deposits are carried at cost and not at fair value/amortised cost.

In view of the commitment to pay to TCIL, the holding company / related party on demand basis, and the company is taking a conservative approach, management assume book value of current liabilities at a amortized cost i.e instead to book profit by discounting liabilities the company prefers to go and disclose liabilities with full amount under law of prudence.

Company's Reply to Para 2 of Emphasis of Matter regarding balances carried in the debtors, creditors, advances & deposits payable / recoverable are subject to confirmation from all parties (other than Telecommunications Consultants India Limited)

Wherever possible the Company is getting confirmation.

Since TTL does not have fund to pay to the Creditor including M/s.Fujikura, the company does not ask for balance confirmation from any Creditors which will trigger to make payment.

Company's Reply to Para 3 of Emphasis of Matter regarding Company not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

As stated in Notes to Accounts No.19, the Company has not received information from the vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

Material Uncertainty Related to Going Concern

We draw attention to Note No. 28(Sl. No. 4) of the explanatory notes to the financial statements. As at 31st March 2019, the Company's accumulated losses of 1,47,89,86,086/- (including a loss of Rs. 15,93,46,225/- incurred during the FY 2018-19) 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. Based on the factors detailed in the said note, the Management believes that the Going Concern assumption is appropriate. Our opinion is not modified in respect of this matter.

Company's Reply : The cabinet approved the new telecom policy, now named National Digital Communications Policy (NDCP) 2018. It aims to provide access of broadband with 50 megabit per second to every citizen, attract USD 100 billion investments in the sector. Therefore there will be surge in demand of OF cable in future.

The company has the facility of producing loose tube OF cable and does not have the facility of ribbon type cables. Considering the huge demand of ribbon type OF cable the management wanted to go manufacturing of ribbon type OF cables. Considering the huge investment, but still the requirement of OFC in the country is huge as company has capacity of 10000 km per annum only. Therefore, the order booking position is expected to be good in the near future. Considering the likely order in the immediate future and with the promoter's financial support, the accounts have been prepared on Going Concern Basis.

Cost Auditors:

As per the provisions of the Companies (Cost Records and Audit) Rules, 2014, the operation of the company is not falling within the scope of cost audit. Hence cost auditor was not appointed for the financial year 2018-19.

Secretarial Audit Report

Clarification on Secretarial audit observations is given below:

i. ***Due to non-appointment of Independent Directors, the Company has not complied with Section 149(4), 177(1), 178(1) and Schedule IV of the Companies Act, 2013 as well as with Regulations 17(1) (b), 18 (1), 19(1) and 25 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in terms of minimum number of Independent Directors in the Board, Constitution of Audit Committee, Nomination and Remuneration Committee and conducting a separate meeting of Independent Directors respectively.***

ii. ***The Company has not complied with Section 149(1) of the Companies Act, 2013 and Regulation 17(1) (a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in terms of having woman director in the Board.***

iii. ***The Company has not complied with Section 203(1) of the Companies Act, 2013 and Regulation 6 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of appointment of***

Company Secretary of the Company till 21.01.2019 during the period under review.

iv. ***The Company has not complied with 46 (2) (b), (c), (e) (f) (g) and (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of disclosing information in the website of the Company.***

v. ***The Company has not complied Regulation 9, 17(9), 30(4)(iii) & 30(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of Framing Policy for preservation of documents, Risk assessment and minimization procedures, Policy for determination of materiality of the disclosure of events and information and Archival Policy.***

vi. ***The company has not framed and published in its official website regarding code of practices and procedures for fair disclosure of unpublished price sensitive information as required Regulation 8 of SEBI (PIT) Regulations, 2015.***

vii. ***The company has not framed any such Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons for dealing with Company's securities.***

Management reply to the observations:

Points No (i) and (ii), The Company is a listed Company with 49% of its shares held by TCIL, a Govt. of India Enterprise and 14.63% held by TIDCO, a Govt of Tamilnadu Enterprise. Action has already been taken for induction of Independent Directors and Woman Director in the Board of the Company with the Department of Telecommunications, Ministry of Telecommunications and the same are being followed up for early appointment to comply regulation 17(1)(b). Constitution of Audit Committee as per 18 (1) and Constitution of **Nomination and Remuneration** Committee as per regulation 19(1) of SEBI LODR and separate Independent Directors Meeting as per 25 (3) of SEBI LODR shall be conducted after appointment of required number of Independent Directors by the Ministry of Telecommunications. The Company inducted a Woman Director on the Board of the Company from the promoter company TCIL from June 2019.

Point No (iii), The management informed, company took all steps for the appointment of Company Secretary as per regulation 6 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to sick financial status of the Company, no response was received against advertisement made by the Company for the Appointment of Company Secretary during the Financial year 2018-19. A Company Secretary is now appointed w.e.f 13.02.2019 to look after the secretarial affairs of the company.

Point No (iv)(v)(vi) and (vii), Company has maintained the bare minimum disclosure on the website of the company and the policies of the company also could not be framed during the year due to the current position and other shortage of resources of the company.

Acknowledgements

The Directors wish to place on record their sincere appreciation for the encouragement, assistance, support and co-operation given by Government of India, Government of Tamilnadu and the Promoters. The Directors appreciate your whole hearted efforts during the year and solicit your continued support and co-operation. Your Directors acknowledge the continued trust and confidence you have reposed in this company.

For and on behalf of the Board

Place: Chennai	Sanjeev Kumar Kesari	B.Elangovan
Date: 08.08.2019	Managing Director	Director
	(DIN 08082217)	(DIN: 00133452)

ANNEXURE TO THE DIRECTORS' REPORT

Disclosure of particulars as per Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY

a) Measure taken for Energy Conservation:

Maintaining power factor at optimum level, reducing loads whenever the machines are not running, saving light energy etc., had been followed vigorously. However, due to the shortage of power in the state and due to reduction of capacity by the Tamilnadu Electricity Board, the Company has to incur additional cost for usage during peak hours, power cuts etc.,

B. TECHNOLOGY ABSORPTION

Efforts made in technology absorption are given in prescribed FORM-B as annexed.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports: Initiatives are taken to increase exports, developments of new exports markets for products and services and export plans. Continuous efforts are being made to procure export orders. A major thrust is being given to tap the export market. However, during the year under review, due to non-availability of raw fiber export market could not be explored and there were no exports.

b) Total Foreign Exchange Used and Earned :

(Rs. in Lakhs)

	2018-19	2017-18
Used	-	0.80
Earned	-	-

FORM A

(Form for disclosure of particulars with respect to conservation of energy)

The particulars in respect of conservation of energy in the prescribed form are not applicable to the company and hence it is not furnished.

FORM B

(Form for disclosure of particulars with respect to technology absorption)

A. Research and Development (R&D)

1. Specific Areas in which the company carried out R&D activities:

- Design and production of Multi tube Aerial cable (Light weight–Double sheath) for use up to hundred meter span for private / government vendors. This design is highly cost competitive and has good sales potential.

2. Benefits derived as a result of the above R&D:

- Received order from Government (BSNL-WTR) organisation for supply of 12F Multi tube Aerial cable (Light weight–Double sheath) of 290 Kms. worth Rs.185.715 lakhs and successfully executed in the previous year.

3. Future Plan

- To revive and enhance the capacity of the existing manufacturing units
- To install facility for manufacturing Ribbon Type Optical Fiber Cable
- To install facilities for assembly and supply of Tablet PCs

4. Expenditure on R&D (Product Type Approval)

- Expenditure towards the R&D is Rs.Nil.

B. Technology absorption, adaptation and innovation.

- Commencement of Tablet PC assembly and supply in a commercial way Training imparted to School children to enhance their computer awareness using Tablet PC as an educational tool.

TAMILNADU TELECOMMUNICATIONS LIMITED

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L32201TN1988PLC015705
2	Registration Date	13.05.1988
3	Name of the Company	TAMILNADU TELECOMMUNICATIONS LIMITED
4	Category/Sub-category of the Company	Company Limited by Shares
		Indian Government Company
5	Address of the Registered office & contact details	No.16,First Floor, Aziz Mulk 3rd street, Thousand Lights, CHENNAI Tamil Nadu. Contact details: Tel - 044 28292653, e-mail : ttlcosec@gmail.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Cameo Corporate Services Limited UNIT : TTL "Subramanian Building" 5th Floor, No.1, Club House Road, Chennai – 600 002. For all Investor queries & grievances : investor@cameoindia.com For non-receipt of annual reports : agm@cameoindia.com Phone : 044-28460390 Fax : 044-28460129

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing of Optical Fiber Cables for Telecommunications	3130	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the company	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Telecommunications Consultants India Limited, TCIL Bhawan',Greater Kailash - I, New Delhi-110048	Holding	49	2(87)(i)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category code	Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Shareholding of Promoter and Promoter Group**									
1.	Indian									
a.	Individuals/Hindu Undivided Family	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	Central Government / State Government(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	Bodies Corporate	6684000	22383700	29067700	63.6319	6684000	22383700	29067700	63.6319	0.0000
d.	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	Any other									
	Sub - Total (A)(1)	**6684000**	**22383700**	**29067700**	**63.6319**	**6684000**	**22383700**	**29067700**	**63.6319**	**0.0000**
2.	Foreign									
a.	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	Any other									
	Sub - Total (A)(2)	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.0000**
	Total Share Holding of Promoter And Promoter Group (A) = (A)(1)+(A)(2)	**6684000**	**22383700**	**29067700**	**63.6319**	**6684000**	**22383700**	**29067700**	**63.6319**	**0.0000**
B.	Public Shareholding									
1.	Institutions									
a.	Mutual Funds/Uti	0	2300	2300	0.0050	0	2300	2300	0.0050	0.0000
b.	Financial Institutions/Banks	105200	7584100	7689300	16.8325	105200	7584100	7689300	16.8325	0.0000
c.	Central Government / State Government(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	Foreign Institutional Investors	0	3280000	3280000	7.1802	0	3280000	3280000	7.1802	0.0000
f.	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
g.	Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	Any Other									
	Sub - Total (B)(1)	**105200**	**10866400**	**10971600**	**24.0178**	**105200**	**10866400**	**10971600**	**24.0178**	**0.0000**
2.	Non-Institutions									
a.	Bodies Corporate	206357	20300	226657	0.4961	182141	18400	200541	0.4390	-0.0571
b.	Individuals -									
	i) Individual Shareholders Holding Nominal Share Capital Upto Rs. 1Lakh	3178278	1267624	4445902	9.7324	3227546	1236524	4464070	9.7722	0.0397

	Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	ii) Individual Shareholders Holding Nominal Share Capital in Excess of Rs. 1Lakh	839638	0	839638	1.8380	858196	0	858196	1.8786	0.0406
c.	Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	Any Other									
	Clearing Members	20417	0	20417	0.0446	929	0	929	0.0020	-0.0426
	Hindu Undivided Families	81294	6	81300	0.1779	89028	6	89034	0.1949	0.0169
	Non Resident Indians	26486	1300	27786	0.0608	27330	1300	28630	0.0626	0.0018
	Trusts	0	0	0	0.0000	300	0	300	0.0006	0.0006
		128197	1306	129503	0.2834	117587	1306	118893	0.2602	-0.0232
	Sub - Total (B)(2)	**4352470**	**1289230**	**5641700**	**12.3502**	**4385470**	**1256230**	**5641700**	**12.3502**	**0.0000**
	Total Public Shareholding (B) = (B)(1)+(B)(2)	**4457670**	**12155630**	**16613300**	**36.3680**	**4490670**	**12122630**	**16613300**	**36.3680**	**0.0000**
	Total (A)+(B)	**11141670**	**34539330**	**45681000**	**100.0000**	**11174670**	**34506330**	**45681000**	**100.0000**	**0.0000**
C.	Shares Held By Custodians And Against Which Depository Receipts Have Been Issued									
	Promoter And Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total Custodian (C)	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.0000**
	Grand Total (A)+(B)+(C)	**11141670**	**34539330**	**45681000**	**100.0000**	**11174670**	**34506330**	**45681000**	**100.0000**	**0.0000**

(ii) Shareholding of Promoters

S. No.	*Shareholder's Name*	*Shareholding at the beginning of the year*			*Shareholding at the end of the year*			*% change in shareholding during the year*
		No. of Shares	*% of total Shares of the company*	*% of Shares Pledged/ encumbered to total shares*	*No. of Shares*	*% of total Shares of the company*	*% of Shares Pledged / encumbered to total shares*	
1	*Telecommunications Consultants India Limited*	*22,383,700*	*49.00%*	*-*	*22,383,700*	*49.00%*	*-*	*0.00%*
2	*Tamilnadu Industrial Development Corporation Limited*	*6,684,000*	*14.63%*	*-*	*6,684,000*	*14.63%*	*-*	*0.00%*
	Total	*29,067,700*	*63.63%*	*-*	*29,067,700*	*63.63%*	*-*	*0.00%*

iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	*Particulars*	*Date*	*Reason*	*Shareholding at the beginning of the year*		*Cumulative Shareholding during the year*	
				No. of shares	*% of total shares*	*No. of shares*	*% of total shares*
1	*At the beginning of the year*	*01.04.2018*		*29,067,700*	*63.63%*	*29,067,700*	*63.63%*
2	*Changes during the year*		*No Change*	*-*	*-*	*-*	*-*
3	*At the end of the year*	*31.03.2019*		*29,067,700*	*63.63%*	*29,067,700*	*63.63%*

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	STATE BANK OF INDIA						
	At the beginning of the year	1-Apr-18		4247500	9.2981	4247500	9.2981
	At the end of the Year	31-Mar-19		4247500	9.2981	4247500	9.2981
2	FUJIKURA LTD						
	At the beginning of the year	1-Apr-18		3280000	7.1802	3280000	7.1802
	At the end of the Year	31-Mar-19		3280000	7.1802	3280000	7.1802
3	ANDHRA BANK						
	At the beginning of the year	1-Apr-18		2070600	4.5327	2070600	4.5327
	At the end of the Year	31-Mar-19		2070600	4.5327	2070600	4.5327
4	PUNJAB NATIONAL BANK						
	At the beginning of the year	1-Apr-18		1265200	2.7696	1265200	2.7696
	At the end of the Year	31-Mar-19		1265200	2.7696	1265200	2.7696
5	LIFE INSURANCE CORPORATION OF INDIA						
	At the beginning of the year	1-Apr-18		105200	0.2302	105200	0.2302
	At the end of the Year	31-Mar-19		105200	0.2302	105200	0.2302
6	DECENT FINANCIAL SERVICES PVT LTD						
	At the beginning of the year	1-Apr-18		40000	0.0875	40000	0.0875
	At the end of the Year	31-Mar-19		40000	0.0875	40000	0.0875
7	RANGAVAZZULA KRISHNA KUMARI						
	At the beginning of the year	1-Apr-18		33800	0.0739	33800	0.0739
	At the end of the Year	31-Mar-19		33800	0.0739	33800	0.0739
8	MAHENDRA POPATLAL SHAH						
	At the beginning of the year	1-Apr-18		31484	0.0689	31484	0.0689
	At the end of the Year	31-Mar-19		31484	0.0689	31484	0.0689
9	KETAN CHORARIA						
	At the beginning of the year	1-Apr-18		30000	0.0656	30000	0.0656
	At the end of the Year	31-Mar-19		30000	0.0656	30000	0.0656
10	SHAKUNTLA GUPTA JT1 : K R GUPTA						
	At the beginning of the year	1-Apr-18		28975	0.0634	28975	0.0634
	At the end of the Year	31-Mar-19		28975	0.0634	28975	0.0634

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Rajiv Gupta						
	At the beginning of the year	1-Apr-18		NIL	NIL	NIL	NIL
	At the end of the Year	31-Mar-19		NIL	NIL	NIL	NIL

2	Sanjeev Kumar Kesari						
	At the beginning of the year	1-Apr-18		NIL	NIL	NIL	NIL
	At the end of the Year	31-Mar-19		NIL	NIL	NIL	NIL
3	A.V.V.Krishnan						
	At the beginning of the year	1-Apr-18		NIL	NIL	NIL	NIL
	At the end of the Year	31-Mar-19		NIL	NIL	NIL	NIL
4	B.Elangovan						
	At the beginning of the year	1-Apr-18		NIL	NIL	NIL	NIL
	At the end of the Year	31-Mar-19		NIL	NIL	NIL	NIL
5	B.Ramakrishnan						
	At the beginning of the year	1-Apr-18		NIL	NIL	NIL	NIL
	At the end of the Year	31-Mar-19		NIL	NIL	NIL	NIL
6	V. Arun Roy						
	At the beginning of the year	1-Apr-18		NIL	NIL	NIL	NIL
	At the end of the Year	31-Mar-19		NIL	NIL	NIL	NIL
7	J Ramesh Kannan						
	At the beginning of the year	1-Apr-18		NIL	NIL	NIL	NIL
	At the end of the Year	31-Mar-19		NIL	NIL	NIL	NIL
8	Swapnil Gupta						
	At the beginning of the year	1-Apr-18		NIL	NIL	NIL	NIL
	At the end of the Year	31-Mar-19		NIL	NIL	NIL	NIL

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	24,08,49,617			24,08,49,617
ii) Interest due but not paid	4,18,80,000			4,18,80,000
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	28,27,29,617			28,27,29,617
Change in Indebtedness during the financial year				
* Addition	2,69,73,230			2,69,73,230
* Reduction	1,31,88,682			1,31,88,682
Net Change	4,01,61,912			4,01,61,912
Indebtedness at the end of the financial year				
i) Principal Amount	26,78,22,847			26,78,22,847
ii) Interest due but not paid	5,50,68,682			5,50,68,682
iii) Interest accrued but not due	-			-
Total (i+ii+iii)	32,28,91,529			32,28,91,529

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl No	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount(Rs)
	Name	**S.K.Kesari (01.04.2018 to 31.03.2019)**	
	Designation	Managing Director	
1	Gross salary	32,59,958	32,59,958
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)		
	Ceiling as per the Act	Rs.42,00,000 (As per Schedule V of Companies Act 2013	

B. Remuneration of other Directors

SN.	Particulars of Remuneration	Name of Directors	Total Amount (Rs)
1	Independent Directors		
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (1)	-	-
2	Other Non-Executive Directors	-	-
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (2)	-	-
	Total (B)=(1+2)	-	-
	Total Managerial Remuneration	-	-

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name	Sh J Ramesh Kannan (01.04.2018 to 31.03.2019)			
	Designation	CFO			
1	Gross salary	30,16,071			30,16,071
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-			
2	Stock Option	-			
3	Sweat Equity	-	-		
4	Commission	-	-		
	- as % of profit	-	-		
	- others, specify	-	-		
5	Others, please specify	-	-		
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type		Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty		NIL			
Punishment					
Compounding					
B. DIRECTORS					
Penalty		NIL			
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty		NIL			
Punishment					
Compounding					

Report on Corporate Governance

Introduction

Corporate Governance is an ongoing process that ensures that the Company displays the highest standard of professionalism, integrity, accountability, fairness, transparency, social responsiveness and business ethics, in its dealings. Good Corporate Governance is a critical doctrine to the global economic system, enabling the business to not only effectively and efficiently achieve its corporate objectives but also develop a structure and methodology to sustain in a globally competitive environment.

Company Philosophy

TTL firmly believes that implementation of good Corporate Governance will help the company achieve goals and enhance shareholder value. It has been our endeavor to give importance on ensuring fairness, transparency, accountability and responsibility to shareholders besides implementing practices voluntarily that would give optimum information and benefit to the shareholders and Board of Directors.

The company has complied with the requisite mandatory and certain non-mandatory requirements of the SEBI Listing Regulations, 2015. The company has its internal control system in place. The Company has also adopted Regulation 17(5) of the SEBI Listing Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013.

The Company has also an Insider Trading Dealing Code in place which complies with SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended.

The Company is managed and controlled by professional Board of Directors comprising of Executive and Non-Executive Independent Directors. Action is being taken for induction of Independent Directors. The composition of the Board of Directors as on 31.03.2019 is as under:

Category	*Name of Directors*	*Designation*	*No. of Shares in the Company*
Promoter Executive Director	*Sanjeev Kumar Kesari*	*Managing Director*	*Nil*
Promoter Non-Executive Directors	*Rajiv Gupta* *A.V.V Krishnan* *V.Arun Roy* *B.Elangovan* *B.Ramakrishnan*	*Director* *Director* *Director* *Director* *Director*	*Nil* *Nil* *Nil* *Nil* *Nil*

Board Meetings

The Board of Directors met 4 (times) during the period 1st April 2018 to 31st March 2019 on the following dates i.e. 30th May 2018, 14th August 2018, 14th November 2018 and adjourned to 19th November 2018 and 13th February 2019.

Attendance of each Director at the Board Meetings, last Annual General Meeting and Number of other Directorship and Chairmanship / Membership of Committee of each Director in various companies is as follows:

Name of the Director	*Attendance of Particulars*		*No. of Directorships and Committee Chairmanship / Membership*		
	Board Meeting	*Last AGM*	*Other Directorships*	*Committee Member-ships*	*Committee Chairman-ship*
Rajiv Gupta	*4*	No	*5*	*2*	*-*
Kamendra Kumar	*1*	*No*		*-*	
AVV Krishnan	*4*	*Yes*	*2 **	*1*	
B. Elangovan	*3*	*Yes*	*7*	*3*	*1*
B. Ramakrishnan	*1*	*No*	*6 #*	*1*	*-*
V Arun Roy	*0*	*No*	*-*	*-*	*-*
Sanjeev Kumar Kesari	*4*	*Yes*	*-*	*2*	*-*

(i) Shri. Kamendra Kumar, Director, TCIL, was appointed as Nominee Director on 19.11.2018 representing TCIL on the Board of Tamilnadu Telecommunications Limited.

(ii) Shri M S Shanmugam, Director has resigned from TTL Board and V Arun Roy was appointed on 19.11.2018.

Note: In accordance with SEBI LODR Regulations, 2015, Memberships / Chairmanships of only Audit Committee, Shareholders / Investors Grievances Committee of all Public Limited Company had been considered. None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Listing Regulations, across all the companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as at March 31, 2019 have been made by the Directors..

* - Includes nomination in two overseas company
\# - Includes two Private Companies

Board Committees' Report

In accordance with SEBI Listing Regulations, 2015 of stock exchanges on Corporate Governance, the following Committees were in operations:

- Audit Committee
- Shareholders'/ Investors' Grievance Committee
- Nomination and Remuneration Committee.

Audit Committee

As per regulation 18 of the SEBI Listing Regulations, 2015 and a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's

responsibilities, the Audit Committee has been constituted with the following members:

Shri. B.Elangovan, Member
Shri. A.V.V Krishnan, Member
Shri Rajiv Gupta

Terms of Reference:
The main functions of the Committee include:-

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing with the Management the annual financial statements before submission to the Board, focusing primarily on –
  - ➢ Any change in accounting policies and practice
  - ➢ Qualifications in the draft Audit Report
  - ➢ Significant adjustments arising out of audit
  - ➢ The going concern assumption
  - ➢ Compliance with accounting standards
  - ➢ Matters required to be included in the Directors Responsibility Statement and the Boards' Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - ➢ Disclosure of any related party transactions
  - ➢ Compliance with stock exchange and legal requirements concerning financial statements
  - ➢ Reviewing with the Management, external and internal auditors the adequacy of internal control system
  - ➢ Reviewing the adequacy of internal audit functions
  - ➢ Reviewing the findings of any internal investigations by the internal auditors into matter where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
  - ➢ Reviewing the Cost Audit Report (Not applicable from the financial year 2014-15 onwards)
  - ➢ Investigating the reasons for substantial defaults, if any, in the payment to the shareholders (in case of non-payment of declared dividends) and creditors.
  - ➢ To review the functioning of the Whistle Blower Mechanism
  - ➢ To carry out any other functions as may be referred to by the Board or Chairman of the Board from time to time.

Review of Information:-

a) Management discussion and analysis of financial conditions and results of operations

b) Statement of significant related party transactions

c) Management letters / letters of Internal Control weakness issued by the Statutory Auditors / Cost Auditors

d) Internal Audit Reports relating to Internal Control weakness, and

e) The appointment, removal and the terms of remuneration of the Chief Internal Auditor.

The Audit Committee met four times during the period 01st April 2018 to 31st March 2019 on the following dates i.e. 30th May 2018, 14th August 2018, 14th November 2018 and adjourned to 19th November 2018 and 13th February 2019.

Attendance particulars of each director at the Audit Committee Meeting as on 31.03.2019 as follows:

Name of Members	*No. of Meetings*			
	Category	*Period*	*Meeting Held (01.04.2018 to 31.03.2019)*	*Meeting Attended as per their period*
Shri Rajiv Gupta,	*Non-Independent Non-Executive*	*18.04.2018 to 31.03.2019*	*4*	*4*
Shri. B.Elangovan	*Non-Independent Non-Executive*	*01.04.2018 to 31.03.2019*	*3*	*3*
Shri. A.V.V Krishnan	*Non-Independent Non-Executive*	*01.04.2018 to 31.03.2019*	*4*	*4*

Particulars of Managerial Remuneration of Key Management Personnel:

(Rs. In Lakhs)

Particulars of Remuneration	*2018-19*	*2017-18*
i) Salary and Allowance Managing Director, CFO and Company Secretary	*62.76*	*60.87*

In addition, the Managing Director is allowed the use of car for private purpose to the limits prescribed by the Department of Public Enterprises from time to time.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of the SEBI Listing Regulations, 2015, read with Section 178(1) of the Companies Act, 2013. The terms of reference of the nomination and Remuneration Committee are broadly as under:

- Recommend to the Board the set up and composition of the Board and its committees, including the "formulation of the criteria for determining qualifications, positive attributes and independence of a Director". The committee

will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.

- Recommend to the Board the appointment or reappointment of Directors.
- Devise a policy on Board diversity.
- Recommend to the Board appointment of key managerial personnel ("KMP" as defined by the Act) and executive team members of the Company (as defined by this committee).
- Carry out evaluation of every Director's performance and support the Board and independent Directors in evaluation of the performance of the Board, its committees and individual Directors. This shall include "formulation of criteria for evaluation of independent Directors and the Board".
- Recommend to the Board the remuneration policy for Directors, executive team or key managerial personnel as well as the rest of the employees.
- On an annual basis, recommend to the Board the remuneration payable to the Directors and oversee the remuneration to executive team or key managerial personnel of the Company.
- Oversee familiarization programmes for Directors.
- Oversee the human resource philosophy, human resource and people strategy and human resource practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, key managerial personnel and executive team).
- Provide guidelines for remuneration of Directors on material subsidiaries.
- Recommend to the Board on voting pattern for appointment and remuneration of Directors on the Boards of its material subsidiary companies.
- Performing such other duties and responsibilities as may be consistent with the provisions of the committee charter.

The composition of the nomination and remuneration committee is given below:

Shri. B.Elangovan, Member
Shri. Rajiv Gupta, Member
Shri. Sanjeev Kumar Kesari, Member

Stakeholders Relationship Committee

The Board of the Company has constituted a Stakeholders Relationship Committee comprising of the following Directors.

Shri. B.Elangovan, Member
Shri. B.Ramakrishnan, Member
Shri. Sanjeev Kumar Kesari, Member

Terms of Reference:

The Committee inter-alia approves transfer, transposition, transmission of Shares, issue of duplicate /rematerialized share certificates and review all matters connected with share transfers. The Committee also looks into redressal of shareholders' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. The Committee overseas the performance of the Registrar and Share Transfer Agents and recommends measures for overall improvement in the quality of investor services.

During the year one complaint was received from the shareholders. Outstanding complaints as on 31.03.2019 were NIL.

Compliance with the Code of Conduct for Board of Directors and Senior Management Personnel

The company is in compliance with the requirements of the revised guidelines on corporate governance stipulated under Regulation 17(5) of the SEBI Listing Regulations, 2015 with the Stock Exchanges, of a Code of Conduct for the Directors and Senior Management Personnel, the company has moved further in its pursuit of excellence in corporate governance.

The Code of Conduct Compliance is monitored through the Compliance Reports received from the Directors and the Senior Management Personnel. It is declared that the Board Members and Senior Management Personnel of the company have furnished the Annual Compliance Report affirming that they have fully complied with the provisions of the Code of Conduct during the financial year ended 31st March 2019.

Corporate Social Responsibility Committee

The Company does not fall under the Sec 135 of the Companies Act, 2013 hence the CSR Committee is not applicable.

General Body Meetings

Location and time of the last three Annual General Meetings

Year	*Venue*	*Held On*	*Time*
2015-16	*Sri. Venkata Auditorium at Bharatiya Vidya Bhavan, No. 18-22, East Mada Street, (Near Kapaleeswarar temple), Mylapore, Chennai -600004*	*27.09.2016*	*2.30 P.M.*
2016-17	*Mylapore Fine Arts Club, 45 Musiri Subramaniam Road, Mylapore, Chennai-600004*	*22.09.2017*	*10.15 AM*
2017-18	*Mylapore Fine Arts Club, 45 Musiri Subramaniam Road, Mylapore, Chennai-600004*	*28.09.2018*	*9.30 AM*

Special Resolution

Year	AGM/EGM	Passed Under Section(s)
2015-2016	-----	Nil
2016-2017	-----	Nil
2017-2018	------	Nil

Postal Ballot

No special resolution was put through postal ballot during last 3 years. The provisions relating to postal ballot will be complied as per the provisions of the Companies Act, 2013 as and when situation may arise in future. Similarly, no business is required to be transacted through postal ballot at the forthcoming Annual General Meeting.

Disclosures

Related Party Transactions

Related Party Transactions are defined as transactions of the company of a material nature, with Promoters, Directors or the Management or their relatives etc, which may have potential conflict with the interest of the Company at large.

The company has not entered into any transaction of material nature with the Promoter, Directors or Management, their relatives that may have potential conflict of interest of the Company at large. There are no material transactions with related parties that may have any potential conflict with the interest of the Company at large. There is no pecuniary transaction with the independent / non-executive directors. TCIL, a Govt. of India Enterprise, one of the promoters holding major stake of 49% is financially supporting the Company for raw materials procurement and working capital requirement for the past more than Eight years. The transactions are in the ordinary course of business of the Company and on arms length basis, by way of arrangements entered through agreements during the year 2010 with subsequent addendums. The supports are being provided with maximum limit fixed by the Board of TCIL. All transactions covered under related party transactions are detailed under clause 20 of Note 28– Notes to Accounts.

Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authority(ies) on all matters related to the capital market except for Independent Directors. Action has been initiated for induction of Independent Directors in the Board, by approaching the Ministry, as per requirement, once the Independent Directors are appointed by the Ministry, this will be complied. There are no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or by any Statutory Authority (ies) relating to the above. However, dematerialization of the shares held by M/s. Telecommunications Consultants India Limited, one of the Promoters, is pending due to the pending listing approval of the additional shares allotted as per the BIFR Sanctioned Scheme, by NSE.

Whistle Blower Policy

The company has established a mechanism for employees to report concerns about unethical behaviors, actual or suspected fraud, violations of Code of Conduct of the Company etc. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access by the Whistle Blower to the Audit Committee. It is affirmed that during the Financial Year 2018-19, no employee has been denied access to the Audit Committee.

Risk Assessment and Minimization Procedures

As per regulation of the SEBI Listing Regulations, 2015 the company shall lay down procedures to inform Board of Directors about the risk assessment and minimization procedures. These procedures shall be periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

Accordingly, a system has been developed and procedures have been laid down, on risk assessment and minimization. The scope of the Audit Committee includes review of company's financial and risk management policies.

Internal Control System

TTL has adequate internal control procedures in respect of all its operations. It has laid down internal control procedures to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and transactions are authorized, recorded and reported correctly to the Board as per Schedule V of the SEBI Listing Regulations, 2015.

Means of Communication

a) The quarterly / half-yearly / annual results have been published in the News Today English Newspaper and Maalai Sudar Tamil Newspaper.

b) The Management perspective, Business review and financial highlights are part of the Annual Report

c) At present no separate quarterly / half-yearly reports are being sent to investors

Financial Year Calendar (tentative and subject to change) 01.04.2019 to 31.03.2020

First Quarter Ending 30.06.2019	Between 01st and 14th August 2019
Second Quarter Ending 30.09.2019	Between 01st and 14th November 2019
Third Quarter Ending 31.12.2019	Between 01st and 14th February 2020
Audited Yearly Results 31.03.2020	Between 15th May and 30th May 2020
AGM for 2019-20	During September 2020

No presentation was made to any institutional investors or to any analysts. Quarterly results and official news releases are not displayed in any official website of the company.

Shareholders' Information

A. Annual General Meeting

Date : 27.09.2019

Time : 11.30 AM

Venue : Mylapore Fine Arts Club, 45, Musiri Subramaniam Road, Mylapore, Chennai-600004,

B. Book Closure Date : From 21.09.2019 to 26.09.2019

C. Financial Calendar : 1st April 2018 to March 31st 2019

D. Dividend : Nil

E. Listing of Shares :

The shares of the company are listed at The Bombay Stock Exchange Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai. For the additional shares allotted to TCIL, SBI, Andhra Bank and PNB as per the Sanctioned Scheme of BIFR during September 2010, BSE has given 'in principle' approval of listing whereas NSE approval is pending, and is in process. Listing fees up to financial year 2018-19 have been paid to the Stock Exchanges mentioned above since the stock exchanges have not considered our request for exemption as per the sanctioned scheme approved by BIFR

F. Compliance Certificate of the Practicing Company Secretaries

The Company has annexed to this report, a certificate obtained from the Practicing Company Secretaries regarding compliance of conditions of corporate governance as stipulated in Schedule V of the SEBI Listing Regulations, 2015

G. Stock Code

Trading symbol on the National Stock Exchange : TNTELE

Trading symbol on the Bombay Stock Exchange : 523419

ISIN Code at NSDL / CDSL : INE141D01018

Stock Market Data:

The monthly high and low share prices of equity shares of the company traded at The Bombay Stock Exchange Limited, Mumbai and National Stock Exchange of India Limited, Mumbai from April 1, 2018 to March 31, 2019 are given below:

(Prices in Rupees)

National stock Exchange(2018-19)				Bombay stock Exchange(2018-19)		
Months	High	low	volume	High	low	volume
Apr-18	4.65	2.4	6873	3.81	2.62	31350
May-18	2.4	1.8	2440	2.75	2.62	2500
Jun-18	1.8	1.3	1140	2.79	2.52	3323
Jul-18	1.35	1.2	524	2.98	2.65	1237
Aug-18	1.3	1.05	1119	3.1	2.69	410
Sep-18	1.4	0.9	771	2.56	1.9	3677
Oct-18	2.2	1.45	1867	1.98	1.53	14938
Nov-18	2.75	2.25	2061	2.13	1.76	6775
Dec-18	2.6	1.8	1540	2	1.56	16635
Jan-19	1.8	1.5	1442	1.52	1.39	3000
Feb-19	1.5	1.3	402	1.39	1.39	100
Mar-19	1.65	1.2	742	1.33	1.11	3723

Distribution of Shareholding as at 31st March 2019

No. of shares Held	*No. Of Share-holders*	*% of Share-holding*	*Share Amount (Rs.)*	*% of Share-holding*
1- 100	*13955*	*69.77*	*1121870*	*2.46*
101- 500	*4600*	*22.99*	*1309884*	*2.87*
501-1000	*779*	*3.89*	*667501*	*1.46*
1001-2000	*342*	*1.7*	*534706*	*1.17*
2001-3000	*109*	*0.54*	*277781*	*0.61*
3001-4000	*54*	*0.26*	*192457*	*0.42*
4001-5000	*43*	*0.27*	*197773*	*0.43*
5001-10000	*57*	*0.28*	*382219*	*0.84*
10001 & above	*62*	*0.3*	*40996809*	*89.74*
Total	*20001*	*100.00*	*456810000*	*100.00*

Shareholding Pattern as at 31st March 2019

Category	*No. of Shares Held*	*% of Shareholding*
1. Promoters		
i) Telecommunications Consultants India Limited	*22383700*	*49.00*
ii) Tamilnadu Industrial Development Corporation Limited	*6684000*	*14.63*
2. Foreign Collaborator *Fujikura Ltd., Japan*	*3280000*	*7.18*
3. Banks, FIs	*7689300*	*16.83*

Category	No. of Shares Held	% of Shareholding
4. Mutual Funds	2300	0.01
5. Clearing Member	929	0.00
6. Private Corporate Bodies/Trusts/ Partnerships	200841	0.44
7. Indian Public	5411300	11.85
8. NRIs	28630	0.06
Grand Total	45681000	100.00

Shareholders holding more than 1% of the Equity Share Capital

S. No	Name of the Shareholder	No. of Shares	% of Shareholding
1	Telecommunications Consultants India Limited	223,83,700	49.00
2	Tamilnadu Industrial Development Corporation Limited	66,84,000	14.63
3	Fujikura Limited	32,80,000	7.18
4	State Bank of India	42,47,500	9.30
5	Andhra Bank	20,70,600	4.53
6	Punjab National Bank	12,65,200	2.77

Registrar & Share Transfer Agents:
Cameo Corporate Services Limited
UNIT: TTL "Subramanian Building" 5th Floor,
No.1, Club House Road, Chennai – 600 002.
For all Investor queries & grievances :
investor@cameoindia.com
For non-receipt of annual reports :
agm@cameoindia.com
Phone: 044-28460390 Fax: 044-28460129

Share Transfer System:

The company has appointed common Registrar for physical share transfer and dematerialization of shares. The shares lodged for physical transfer / transmission / transposition are registered within a period of 15 days, if the documents are complete in all respects.

Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity.

- Not applicable -
Further Capital raised During the Year
- Nil-

Dematerialization of Shares:

The shares of the company are traded in physical / dematerialized form by all categories of investors. The company has arrangements with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) to establish electronic connectivity of its shares for scrip-less trading. As on 31st March 2019, 24.31% of total equity capital is held in Electronic form with NSDL & CDSL. Request for dematerialization of shares are processed and confirmed within 21 days of receipt of NSDL and CDSL.

Address for communication:

The shareholders may address their communications / suggestions / grievances / queries to:

Shri Sanjeev Kumar Kesari
Managing Director
Tamilnadu Telecommunications Limited, Corporate Office,
E18B-E24, CMDA Industrial Complex,
Maraimalai Nagar – 603 209
Phone: 044-27451095 / 27453881
E-mail ID: ttlcosec@gmail.com
Website: www.ttlofc.in

Plant Location:

Division	Location
Optical Fiber Cable Plant	Maraimalai Nagar.

Insider Trading:

The code of conduct for prevention of Insider Trading as suggested under the SEBI (Prohibition of Insider Trading) Regulations, 1992 introduced with effect from 25.11.2002 is in force. The Company Secretary has been designated as the Compliance Officer for this purpose. The Board monitors the adherence to the various requirements as set out in the code. No violation of the code has taken place during the year.

Compliance with mandatory requirements and adoption of non-mandatory requirements under SEBI Listing Regulations, 2015

The Company has complied with the mandatory requirements of the SEBI Listing Regulations, 2015. A certificate signed by CEO & CFO of the company was placed before the Board of Directors. The SEBI Listing Regulations, 2015 also requires disclosures of adoption by the company of non-mandatory requirements specified in the said clause, the implementation of which is discretionary on the part of the Company. Accordingly, the adoption of non-mandatory requirements is given below:-

a. The Board

There is no policy at present to determine the tenure of Independent Directors. However, as reported, on appointment of required level of Independent Directors by the Ministry, the term shall be fixed as per the provisions of the Companies Act, 2013.

b. Remuneration Committee

Except Managing Director, no remuneration either by way of sitting fees or in any form is paid to other Directors. Only boarding, lodging, travelling and conveyance expenses for attending the meetings are paid to few of the Directors. As such, there has been no need to constitute a Remuneration Committee. It will be complied on induction of required level of Independent Directors in the Board, by the Ministry.

c. Shareholder's Rights

Half yearly financial results including summary of the significant events are presently not being sent to shareholders of the company.

d. Training of Board Members

As the members on the Board are eminent and experienced professional persons, there is no formal policy at present for their training. It will be complied on induction of required level of Independent Directors in the Board, by the Ministry.

e. Mechanism for evaluating non-executive Board members.

The non-executive Board Members are from TCIL / TIDCO / Dept. Of Telecom and their performance is evaluated by the respective Company / Department One non-executive Board Member is a Special Director appointed by BIFR. It will be complied on induction of required level of Independent Directors in the Board, by the Ministry.

Declaration by CEO / MD
CODE OF CONDUCT

Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015

PHILOSOPHY

The TAMILNADU TELECOMMUNICATIONS LIMITED code of conduct, as adopted by the Board of Directors, is applicable to Directors, Senior Management and Employees of the Company. The Code is derived from three inter linked fundamental principles viz. good corporate governance, good corporate citizenship and exemplary personal conduct. The Code covers TAMILNADU TELECOMMUNICATIONS LIMITED's commitment to sustainable development, concern for occupational health, safety and environment, a gender friendly work place, transparency and audit ability, legal compliance and the philosophy of leading by personal example.

Declaration pursuant to Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct.

To
The Shareholders of Tamilnadu Telecommunications Limited

We hereby declare that all members of the Board and senior management personnel have affirmed compliance with the respective provisions of the Code of Business Conduct and Ethics of the Company formulated by the Board of Directors for the financial year ended 31st March 2019.

For Tamilnadu Telecommunications Limited

Place: Chennai
Date: 08.08.2019

(Sanjeev kumar Kesari)
Managing Director
(DIN: 08082217)

CEO / CFO CERTIFICATION UNDER the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Sanjeev kumar Kesari, Managing Director and J Ramesh Kannan General Manager (F&A) certify to the Board that:

(A) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2019 and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations

(B) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the

Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(D) We have indicated to the auditors and the Audit Committee:

(1) significant changes in internal control over financial reporting during the year, as Nil;

(2) significant changes in accounting policies during the year consequent to the provisions of the Companies Act,2013 and that the same have been disclosed in the notes to financial statements ; and

(3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting, as Nil.

For Tamilnadu Telecommunications Limited

Sanjeev kumar Kesari
Managing Director
(DIN: 08082217)

J Ramesh Kannan
GM (Finance)

Form No. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

To,
The Members,
TAMILNADU TELECOMMUNICATION LIMITED
CIN: L32201TN1988PLC015705
No.16, First Floor, Aziz Mulk 3rd Street,
Thousand Lights, Chennai – 600006.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. TAMIL NADU TELECOMMUNICATION LIMITED** (hereinafter called "the company''). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion there on.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the company("Books and paper") and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the company has, during the audit period covered by our audit, that is to say , from April 01,2018 to March 31,2019 (hereinafter referred to as " Audit period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board – processes and compliance – mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes' books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019, according to the provisions of:

(ii) The Companies Act, 2013 (the Act) and the rules made there under to the extent notified by Ministry of Corporate affairs;

(iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2015;

(d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)Regulations, 2015;

(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

We have also examined compliance with the applicable clauses/Regulations of the following:

(i) The Listing Agreement entered into by the Company with the National Stock Exchange of India Limited and Bombay Stock Exchange Limited (BSE Ltd) under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and.

(ii) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (made mandatory with effect from July 01, 2015).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the followings:

i. Due to non-appointment of Independent Directors, the Company has not complied with Section 149(4), 177(1), 178(1) and Schedule IV of the Companies Act, 2013 as well as with Regulations 17(1) (b), 18 (1), 19(1) and 25 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in terms of minimum number of Independent Directors in the Board, Constitution of Audit Committee, Nomination and Remuneration Committee and conducting a separate meeting of Independent Directors respectively.

ii. The Company has not complied with Section 149(1) of the Companies Act, 2013 and Regulation 17(1) (a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in terms of having woman director in the Board.

iii. The Company has not complied with Section 203(1) of the Companies Act, 2013 and Regulation 6 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of appointment of Company Secretary of the Company till 21.01.2019 during the period under review.

iv. The Company has not complied with 46 (2) (b), (c), (e) (f) (g) and (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of disclosing information in the website of the Company.

v. The Company has not complied Regulation 9, 17(9), 30(4)(iii) & 30(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of Framing Policy for preservation of documents, Risk assessment and minimization procedures, Policy for determination of materiality of the disclosure of events and information and Archival Policy.

vi. The company has not framed and published in its official website regarding code of practices and procedures for fair disclosure of unpublished price sensitive information as required Regulation 8 of SEBI (PIT) Regulations, 2015.

vii. The company has not framed any such Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons for dealing with Company's securities.

We further report that

The Board of Directors of the Company is constituted with Executive Director and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the Decision of the Board and committees were carried with requisite Majority.

We further report that the company has complied with the provisions of Companies Act, 2013 and Secretarial Standard-1 (Meeting of Board of Directors)as issued by the Institute of Company Secretaries of India (ICSI) except compliance to the clause 7.2.1.1, 7.1.4, 7.5.2, 7.4, 4.1.3 of the said Standard.

We further report that the systems and processes needs to be further improved in the company considering the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **Jeevanjyoti Nayak & Associates**
Company Secretaries
(ICSI Reg. No. S2016MH423600)

Jeevanjyoti Nayak
(Proprietor)
M. No. : A39658
C P No. : 17143

Place: Chennai
Date: 07.08.2019

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

ANNEXURE – A

To,
The Members,
TAMILNADU TELECOMMUNICATIONS LIMITED
CIN: L32201TN1988PLC015705
No.16, First Floor, Aziz Mulk 3rd Street,
Thousand Lights, Chennai – 600006.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial and other records is the responsibility of the management of the Company. Our responsibility is to express an opinion on the relevant records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the relevant records and compliances. The verification was done on test basis to verify that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial and tax records and books of accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Jeevanjyoti Nayak & Associates**
Company Secretaries
(ICSI Reg. No. S2016MH423600)

Jeevanjyoti Nayak
(Proprietor)
M. No. : A39658
C P No. : 17143

Place: Chennai
Date: 07.08.2019

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
TAMILNADU TELECOMMUNICATION LIMITED

We have examined the compliance of conditions of Corporate Governance by M/s. TAMIL NADU TELECOMMUNICATION LIMITED ("the Company") for the financial year ended on March 31, 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations – 2015").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring compliances of conditions of the Corporate Governance stipulated in the SEBI Listing Regulations – 2015.

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information provided and explanations given to me, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations –2015, as applicable, during the year ended March 31, 2019, except the followings:

1. Due to non appointment of Independent Directors, the Company has not complied with Regulations 17(1) (b), 18 (1), 19(1) and 25 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of minimum number of Independent Directors in the Board, Constitution of Audit Committee and conducting a separate meeting of Independent Directors respectively.

2. The Company has not complied with Regulation 17(1) (a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of having woman director in the Board.

3. The Company has not complied with Regulation 6 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of appointment of Company Secretary as Compliance Officer of the Company till 21.01.2019 during the period under review.

4. The Company has not complied with 46 (2) (b), (c), (e) (f) (g) and (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of disclosing information in the website of the Company.

5. The Company has not complied Regulation 9, 17(9), 30(4)(iii) & 30(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of Framing Policy for preservation of documents, Risk assessment and minimization procedures, Policy for determination of materiality of the disclosure of events and information and Archival Policy.

We further state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Jeevanjyoti Nayak & Associates**
Company Secretaries
(ICSI Reg. No. S2016MH423600)

Jeevanjyoti Nayak
(Proprietor)
M. No. : A39658
C P No. : 17143

Place: Chennai
Date: 07.08.2019

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF TAMILNADU TELECOMMUNICATIONS LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of financial statements of TAMILNADU TELECOMMUNICATIONS LIMITED for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditor/ Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is/are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30-05-2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of TAMILNADU TELECOMMUNICATIONS LIMITED for the year ended 31 March 2019 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 143(6)(b) of the Act.

For and on behalf of the
Comptroller and Auditor General of India

Place: Delhi
Date : 21-08-2019

(Saurabh Narain)
Principal Director of Audit (P&T)

INDEPENDENT AUDITOR'S REPORT

To,
The Members of Tamilnadu Telecommunications Limited.

Report on the Audit of the Standalone Financial Statements:

Qualified Opinion

We have audited the standalone financial statements of Tamilnadu Telecommunications Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and the Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies(Indian Accounting Standards) Rules, 2015, as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2019,the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

The Company has not recognized the following financial liability/asset at Fair Value in terms of IndAS 109(including comparative figures as of 31st March 2018):

i) Amounts due to M/s Fujikura Limited amounting to Rs. 1,93,78,840/- (Previous Year- Rs. 1,89,65,590/-/)

ii) Trade Receivables (considered good) amounting to Rs. 7,12,57,092/- (Previous Year- Rs. 7,43,53,067/-)

iii) Unsecured Trade Payables amounting to Rs. 3,31,07,285/- (Previous Year – Rs. 3,28,46,998/-)

Emphasis of Matter

1) We draw attention to Note No. 28(Sl. No. 22) of the explanatory notes to the financial statements which states the reason for non-recognition of amounts due to the holding Company viz., Telecommunications Consultants India Limited amounting to Rs. 1,08,39,68,014/- (Previous Year – Rs. 97,17,45,550/-) at Fair Value in accordance with IndAS 109. Our opinion is not modified in respect of this matter.

2) Attention is invited to Note Nos. 3,5,8,14,15 of the notes to financial statements, where the balances carried in the debtors, creditors, advances & deposits payable / recoverable are subject to confirmation from all parties (other than Telecommunications Consultants India Limited) as stated in Note No.28(Sl. No. 2). The impact if any, on financial statements is not ascertainable and therefore our opinion is not modified in this respect.

3) Attention is invite to Note No. 28(Sl. No. 19) of the explanatory notes to the financial statements which states that 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 year- end together with interest paid / payable under this Act could not be ascertained.Our opinion is not modified in this respect.

Material Uncertainty Related to Going Concern

We draw attention to Note No. 28(Sl. No. 4) of the explanatory notes to the financial statements. As at 31st March 2019, the Company's accumulated losses of 1,47,89,86,086/- (including a loss of Rs. 15,93,46,225/- incurred during the FY 2018-19) 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. Based on the factors detailed in the said note, the Management believes that the Going Concern assumption is appropriate. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matter described in the Basis for Qualified Opinion section and Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) Our observations in "Material Uncertainty Related to Going Concern" Paragraph here-in-above regarding the assumption of Going Concern, in our Opinion, may have adverse effect on the functioning of the Company.

   f) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28(Sl. Nos. 3, 11, 15, 16) to the financial statements;

      II. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts.

      III. According to the information and explanations given to us and based on our examination of the records, there were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

3. Report on the Directions issued by the Comptroller and Auditor General of India, under Section 143(5) of the Companies Act, 2013 for conducting audit of accounts for the year 2018-19 is given in "Annexure C" to our Report.

For R. Bupathy & Co
Chartered Accountants
Firm Regn No. 000525S

Place: Chennai
Date : 30-05-2019

CA V. Thiagarajan
Partner
ICAI M. No. 203328

Annexure " A " to the Auditor's Report
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Tamilnadu Telecommunications Limited of even date)

Based on the books and records produced before us and as per the information and explanations given to us and based on such audit check that we considered necessary and appropriate, we report that:

i) In respect of fixed assets,

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.

c) The title deeds of Immovable properties are held in the name of the Company subject to the details provided in Annexure C to our Report.

ii) In respect of its inventories:

a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.

b) In our Opinion and according to the information and explanations given to us, the discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of accounts.

iii) In our opinion and according to the information and explanations provided, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 during the year. Hence, reporting under clause 3(iii) of paragraph 3 of the Order is not applicable.

iv) In our opinion and according to the information and explanations provided, the Company has neither made any investments nor advanced any loan either to its directors or to any other person in whom the directors are interested or provided any guarantee or security. Therefore, compliance under section 185 and 186 of the Companies Act, 2013 as required under clause 3(iv) of paragraph 3 of the Order is not applicable.

v) The Company has not accepted any deposits from the public.Hence, reporting under clause 3(v) of paragraph 3 of the Order is not applicable.

vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of nature of business carried out by the Company and therefore, clause 3(vi) of paragraph 3 of the Order is not applicable.

vii) In respect of statutory dues,

a) Undisputed statutory dues like Provident Fund, Employees' State Insurance, TDS and Property Tax have not been regularly deposited with the appropriate authorities and there have been serious delays in a large number of cases due to insufficiency of funds with the Company.

b) Following is the summary of statutory dues as at the last day of the financial year outstanding for a period of more than six months from the date they become payable.

Name of the Statute	Nature of the Dues	Amount	Period
Employees' State Insurance Act	Employer and Employee Contribution	4,080	July'18 to Sep' 2018
The Employees' Provident Funds And Miscellaneous Provisions Act	Employer and Employee Contribution	18,77,744	July'18 to Sep' 2018
The Employees' Provident Funds And Miscellaneous Provisions Act	Voluntary Contribution of Employee	2,49,270	July'18 to Sep' 2018
Income Tax Act	TDS Pay-able-Interest Charges	4,36,316	Apr'18 to Sep' 2018
Municipal Tax	Property Tax	48,79,000	Since 2009-10 to 2018-19 (Apr'18 to Sep'18)
Total		**74,46,410**	

c) The details of disputed dues of Sales Tax and Duties of Customs which have not been deposited as on 31st March 2019 are as given below:

Statute	Nature of Dues	Amount (Rs.)	Forum where dispute is pending	Remarks
Sales Tax	Additional Sales Tax(FY 2000-2001 & 2001-2002)	1,86,08,794	High Court of Madras	Recognized as Contingent Liability in Balance Sheet

Statute	Nature of Dues	Amount (Rs.)	Forum where dispute is pending	Remarks
Sales Tax	Non-Submission of C-Forms(AY 2001-02, 02-03 and 03-04)	22,95,000	Commercial Sales Tax Department	Recognized as Contingent Liability in Balance Sheet
Duty of Customs	Difference in Classification of imports(FY 06-07)	31,55,226	Commissioner of Customs	Recognized as Contingent Liability in Balance Sheet
Income Tax	Default in Traces Website	17,74,729	Income Tax Department	Recognized as Contingent Liability in Balance Sheet
Sales Tax	VAT on disposal of Movable Assets(FY 2011-12 to 2015-16)	25,725	Assistant Commissioner (CT)	Provision created in books
Sales Tax	Tax on cross verification of buyer and seller(FY 2013-14)	3,43,057	Assistant Commissioner (CT)	Provision created in books
Sales Tax	Tax on Non Submission of C Forms(FY 2012-13 to FY 2015-16)	14,35,408	Assistant Commissioner (CT)	Provision created in books
Sales Tax	ITC Reversal for CST sales without C Form (FY 2012-13 to FY 2014-15)	27,79,291	Assistant Commissioner (CT)	Provision created in books
TOTAL		**3,04,17,230**		

viii) The Company has not borrowed any sums from Banks or Financial Institutions or Debenture holders and hence the question of default in repayment of dues to Banks or Financial Institutions or Debenture holders and reporting under clause 3(viii) of paragraph 3 of the Order does not arise.

ix) The Company has not raised any moneys by way of initial public offer or further public offer and term loans during the year and hence reporting under clause 3(ix) of paragraph 3 of the Order is not applicable.

x) According to the information and explanations provided to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals and within the ceiling limit as per the provisions of Section 197 read with Schedule V of the Act.

xii) The Company is not a Nidhi Company. Accordingly, clause 3(xii) of paragraph 3 of the Order is not applicable.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of paragraph 3 of the order is not applicable.

xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of paragraph 3 of the order is not applicable.

xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India, 1934. Accordingly, paragraph 3(xvi) of the order is not applicable.

For R. Bupathy & Co
Chartered Accountants
Firm Regn No. 000525S

Place: Chennai
Date : 30-05-2019

CA V. Thiagarajan
Partner
ICAI M. No. 203328

Annexure "B"
to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Tamilnadu Telecommunications Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Tamilnadu Telecommunications Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

I. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

II. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

III. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For R. Bupathy & Co
Chartered Accountants
Firm Regn No. 000525S

Place: Chennai
Date : 30-05-2019

CA V. Thiagarajan
Partner
ICAI M. No. 203328

Annexure " C "
to the Auditor's Report

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Tamilnadu Telecommunications Limited of even date)

Report on directions issued by Comptroller and Auditor General of India under Section 143(5) of the Companies Act, 2013 for conducting audit of accounts of Tamilnadu Telecommunications Limited(TTL) for the year 2018-19.

S No.	Direction	Observation
1.	Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold land for which title/ lease deeds are not available.	The Company is currently in possession of 9.78 acres of land, out of which 2.42 acres of land acquired from CMDA and 7.36 acres of land acquired from Tamilnadu Government in the year 1998. In respect of CMDA land, Memorandum of Lease cum Sale Agreement has been entered and on completion of payment, the Company has executed the sale deed and the same in original was surrendered to SBI, which is yet to be returned by SBI in spite of due clearances received from all the banks of the consortium. Tamilnadu Government Land of 7.36 acres was delivered to TIDCO by Tamilnadu Govt vide Land Delivery Receipt No.3959/96 and TIDCO vide its letter dated 03.09.1997 addressing TTL transferred the Land to TTL. It is stated therein that the transfer of title deed will be completed on receipt of the cost of land in due course. The cost of land was finally determined by Govt in 2010 and the same was paid. Land Delivery Receipt was issued by the Govt to the Company.
2.	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., If yes, the reasons and amount involved.	An amount of Rs. 16,81,501/- being amounts due from customs authorities, EMD receivable, Other advances, amount due from others etc., is written off in books in the current year (FY 2018-19) due to long outstanding and uncertainty in recovery.
3.	Whether proper records are maintained for inventories lying with third parties and assets received as gift/grant(s) from Govt. or other authorities.	There were no inventories lying with third parties and no assets have been received by the Company as gift/grant(s) from Government or other authorities, during the year.
4.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company maintains Tally ERP as the accounting program for maintenance of books of accounts. Tally being the only IT system used by the Company, not all transactions (including payroll processing, stock procurement, stock dispatch etc.,) are computerized thereby resulting in involvement of human intervention.There is no financial implication.
5.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the Company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	In the current period under review (FY 2018-19), there is no restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the Company, even though the Company is not regular in repayment of its dues (Principal and Interest) with respect to the borrowings from M/s Telecommunications Consultants India Limited being one of the promoters of Company.

6.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	The Company did not receive any funds for specific schemes from Central/State agencies during the FY 2018-19.

For R. Bupathy & Co
Chartered Accountants
Firm Regn No. 000525S

Place: Chennai
Date : 30-05-2019

CA V. Thiagarajan
Partner
ICAI M. No. 203328

Compliance Certificate

We have conducted the audit of accounts of Tamilnadu Telecommunications Limited for the year ended 31st March 2019 in accordance with the directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the directions issued to us.

For R. Bupathy & Co
Chartered Accountants
Firm Regn No. 000525S

Place: Chennai
Date : 30-05-2019

CA V. Thiagarajan
Partner
ICAI M. No. 203328

BALANCE SHEET AS AT 31ST MARCH, 2019

(Rupees in Hundreds)

S.No	Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
ASSETS				
(1)	**Non-current assets**			
(a)	Property, plant and Equipment	2	892,159	921,876
(b)	Other non-current assets	3	4,740	6,895
	Sub Total - A		**896,899**	**928,771**
(2)	**Current assets**			
(a)	Inventories	4	278,690	281,492
(b)	Financial Assets			
	(i) Trade receivables	5	712,571	743,531
	(ii) Cash and cash equivalents	6	54,425	92,946
	(iii) Short term Loans	7	207	185
(c)	Other current assets	8	120,026	127,455
	Sub Total - B		**1,165,919**	**1,245,609**
	Total assets (A+B)		**2,062,818**	**2,174,380**
EQUITY AND LIABILITIES				
(1)	**EQUITY**			
(a)	Equity Share capital	9	4,567,620	4,567,620
(b)	Other Equity	10	(14,789,861)	(13,196,398)
	Sub Total - A		**(10,222,241)**	**(8,628,778)**
LIABILITIES				
(1)	**Non-current Liabilities**			
(a)	Financial Liabilities			
	(i) Long term Borrowings	11	1,165,730	1,165,730
(b)	Long Term Provisions	12	322,556	264,740
	Sub Total - B		**1,488,286**	**1,430,470**
(2)	**Current Liabilities**			
(a)	Financial Liabilities			
	(i) Short term Borrowings	13	1,512,498	1,242,766
	(ii) Trade Payables	14	6,213,791	6,209,088
	(iii) Other Financial liabilities	15	2,486,381	1,631,856
(b)	Other current liabilities	16	113,196	86,204
(c)	Short Term Provisions	17	470,907	202,774
	Sub Total - C		**10,796,773**	**9,372,688**
	Total Equity and Liabilities - (A+B+C)		**2,062,818**	**2,174,380**
Statement of Significant Accounting Policies		1		
Notes on Financial Statement		2-28		

As per our report of even date attached
For R Bupathy & Co.
Chartered Accountants
Firm Regn No. 000525S

For and on behalf of Board of Directors

CA V Thiagarajan
Partner
Membership No. 203328

Sanjeev Kumar Kesari
Managing Director

Rajiv Gupta
Chairman

Place : Chennai
Date : 30-05-2019

J. Ramesh Kannan
GM (Finance)

TAMILNADU TELECOMMUNICATIONS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(Rupees in Hundreds)

S.No	Particulars	Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
I	Revenue from operations	18	-	160,689
II	Other income	19	5,461	9,553
III	**Total Income (I+II)**		**5,461**	**170,242**
IV	**Expenses:**			
	Cost of materials consumed	20	2,801	103,843
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade"	21	-	7,968
	Excise Duty	18	-	777
	Employee benefits expense	22	495,994	513,564
	Finance Costs	23	896,646	844,196
	Depreciation and amortisation expense	24	29,935	30,255
	Other expenses	25	150,632	108,017
	Total expenses (IV)		**1,576,008**	**1,608,620**
V	Profit/(loss) before exceptional items and tax (III-IV)		(1,570,547)	(1,438,378)
VI	Exceptional items	26	-	2,155
VII	**Profit / (loss) before tax (V-VI)**		**(1,570,547)**	**(1,440,533)**
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
IX	Profit /(Loss) for the period (VII-VIII)		(1,570,547)	(1,440,533)
X	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss	27	(22,915)	20,550
XI	**Total Comphrehensive Income for the period (IX+X)**		**(1,593,462)**	**(1,419,983)**
XII	Earnings per equity share			
	(1) Basic		(3.44)	(3.15)
	(2) Diluted		(3.44)	(3.15)

Statement of Significant Accounting Policies	1
Notes on Financial Statement	2-28

As per our report of even date attached
For R Bupathy & Co.
Chartered Accountants
Firm Regn No. 000525S

For and on behalf of Board of Directors

CA V Thiagarajan
Partner
Membership No. 203328

Sanjeev Kumar Kesari
Managing Director

Rajiv Gupta
Chairman

Place : Chennai
Date : 30-05-2019

J. Ramesh Kannan
GM (Finance)

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity Share Capital

(Rupees in Hundreds)

"Balance at the beginning of the reporting period i.e. as at April 1, 2017"	"Changes in Equity Share Capital during the Year 2017-18"	"Balance as at Mar 31, 2018"	"Balance as at April 1, 2018"	"Changes in Equity Share Capital during the Year 2018-19"	"Balance as at Mar 31, 2019"
4,567,620	-	4,567,620	4,567,620	-	4,567,620

B. Other Equity

(Rupees in Hundreds)

Particulars	Reserves and surplus			Total
	"Securities Premium Reserve"	Capital Re-structuring Reserve	Statement of Profit & Loss and Other Comprehen-sive Income	
Financial Year - 2017-18				
Balance as at April 1, 2017 (A)	98,400	979,711	(12,854,526)	(11,776,415)
Profit/(Loss) for the year	-	-	(1,440,534)	(1,440,534)
Add: Other Comprehensive income			20,550	20,550
Total comprehensive income for the year 2017-18 (B)	-	-	(1,419,984)	(1,419,984)
Balance as at Mar 31, 2018 (A)+(B)	**98,400**	**979,711**	**(14,274,510)**	**(13,196,399)**
Financial Year - 2018-19				
Balance as at April 1, 2018 (A)	98,400	979,711	(14,274,509)	(13,196,398)
Profit/(Loss) for the year	-	-	(1,570,547)	(1,570,547)
Add: Other Comprehensive income	-	-	(22,915)	(22,915)
Total comprehensive income for the year 2018-19 (B)	-	-	(1,593,462)	(1,593,462)
Balance as at March 31, 2019 (A)+(B)	98,400	979,711	(15,867,971)	(14,789,860)

As per our report of even date attached
For R Bupathy & Co.
Chartered Accountants
Firm Regn No. 000525S

CA V Thiagarajan
Partner
Membership No. 203328

Place : Chennai
Date : 30-05-2019

For and on behalf of Board of Directors

Sanjeev Kumar Kesari
Managing Director

Rajiv Gupta
Chairman

J. Ramesh Kannan
GM (Finance)

TAMILNADU TELECOMMUNICATIONS LIMITED

Statement of Cash Flow for the year ended 31st March 2019

Accounting Policy:

The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 on Statement of Cash Flows.

Amendment to Ind AS 7:

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the financial statements."

(Rupees in Hundreds)

Description	For the year ended 31st March 2019	For the year ended 31st March 2018
Cash Flow from Operating Activities:		
Net Profit / (Loss) before tax	(1,593,462)	**(1,419,984)**
Adjustments for		
Add: - Depreciation	29,935	30,255
- Interest & Finance Charges	896,646	844,195
- Loss on sale of assets	-	2,155
- Exchange Rate Fluctuations - Loss / (Gain)	6,908	220
	(659,973)	**(543,159)**
Less:		
- Interest/Dividend Received	3,200	2,203
Operating Profit before Working Capital changes	**(663,173)**	**(545,362)**
Changes in assets and liabilities:		
- Trade Receivables	30,960	(414)
- Other Current receivables	7,407	3,457
- Inventories	2,802	36,415
- Other Non - current assets	2,155	351
- Trade Payables	4,703	564,508
- Other financial liabilities, other liabilities, borrowings and provisions	1,419,382	803,720
Cash generated from Operations	**804,236**	**862,675**
Income Tax	-	-
Cash Flow after tax before exceptional items	**804,236**	**862,675**
Exceptional items	-	-
Exchange Rate Fluctuations - (Loss) / Gain	(6,908)	(220)
Net Cash generated by Operating Activities- A	**797,328**	**862,455**
Cash Flow from Investing Activities:		
Purchase of Non-Current Assets	(218)	(7,799)
Sale of Fixed assets	-	969
Interest/Dividend Received	3,200	2,203
Net Cash from /(used) in Investment Activities -B	2,982	**(4,627)**
Cash Flow from Financing Activities:		
Increase / (Repayment) of Non Current Liabilities	57,815	10,293
Interest charges	(896,646)	(844,195)
Dividends Paid		
Dividend Tax		
Net Cash used in Financing Activities-C	(838,831)	**(833,902)**
Net (decrease)/Increase in Cash Equivalents (A+B+C)	**(38,521)**	**23,926**
Cash & Cash Equivalents at the beginning of the Period	92,946	69,020
Cash & Cash Equivalents at the end of the year	**54,425**	**92,946**

Notes:

1. Cash and cash equivalents represents cash in hand and cash with scheduled banks.
2. Figures for the previous year have been re-grouped wherever necessary.

As per our report of even date attached
For R Bupathy & Co.
Chartered Accountants
Firm Regn No. 000525S

For and on behalf of Board of Directors

CA V Thiagarajan
Partner
Membership No. 203328

Sanjeev Kumar Kesari
Managing Director

Rajiv Gupta
Chairman

Place : Chennai
Date : 30-05-2019

J. Ramesh Kannan
GM (Finance)

Note 1

Statement of Significant Accounting Policies

I Significant Accounting Policies

a. Basis of Preparation of Financial Statements

Accounts are drawn up on the principle of going concern concept with revenues recognized and expenses accounted on accrual basis and are prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of Companies Act 2013 read with relevant rules of the Companies (Indian Accounting Standards)Rules with effect from 1st April 2016.

b. Use of estimates:

Preparation of financial statements in conformity with the recognition and the measurement principle of Ind AS requires the management of the company to make estimates and assumptions that affects the reported balances of assets and liabilities, disclosure relating to contingent liabilities as on the date of the Financial Statements and the reported amount of incomes and expenses for the reporting period.

Estimates and the underlying assumption are reviewed on ongoing basis. The revision to the accounting estimates if material is recognized in the period in which the estimates are revised.

2 Property, Plant and Equipment:

a. Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

b. The costs directly attributable including borrowing cost on qualifying asset are capitalized when the Property, Plant and Equipment are ready for use, as intended by the management.

c. Subsequent expenditure relating to Property, Plant and Equipment including major inspection costs, spare parts, standby and servicing equipments are capitalized only when it is probable that future economic benefits associated with these will flow to the Company, the cost of the item can be measured reliably and the company expects to use them during more than period.

d. Depreciation is calculated on straight line basis over estimated useful life as prescribed in Schedule II of the Companies Act 2013, up-to the cost of the asset (net of residual value – which is considered at 5 % of cost of assets).

e. Plant and Equipment costing individually Rs. 5,000 and below are fully depreciated in the year of purchase.

f. Where the cost of an item of Property, Plant and Equipment are significant and have different useful lives, they are treated as separate components and depreciated over their estimated useful lives.

g. Depreciation on Property, Plant and Equipment, added or deleted during the reporting period is provided from or till the date of such addition or deletion.

h. The estimated useful lives, residual values and depreciation / amortisation method are reviewed at the end of each reporting period with the effect of changes in estimates accounted for on a prospective basis.

i. The cost of assets not put to use, before the year end are disclosed under Capital Work-in-Progress.

3 Impairment of Assets

As at the end of each Balance Sheet date, the carrying amount of assets is assessed as to whether there is any indication of impairment. If the estimated recoverable amount is found less than its carrying amount, the impairment loss is recognised and assets are written down to their recoverable amount.

4 Financial Assets and Liabilities

The Company recognizes all Financial Assets and Liabilities at Fair Value at inception and subsequent measurement is done at amortized cost. Fair Value adjustment is done only where material.

5 Inventories

a. Inventories are valued at lower of cost and net realisable value. The cost of raw material excluding goods in transit, components and stores are assigned by using the weighted average cost formula. Goods in transit are valued at cost to date. In the case of finished goods, stock-in-trade and work-in-progress, cost includes costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

b. Saleable / Disposable scrap is valued at net realisable value.

c. Stores, Tools and Spares/Components are valued at cost.

6 Foreign Currency Transactions:

a. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.

b. Assets and Liabilities are re-instated at the year-end at the rate prevalent at each annual Balance Sheet date. The Income / Expenditure on account of this are charged to Statement of Profit and Loss.

c. Any Incomes or Expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

7 Revenue Recognition

a. Sales:

Sale is recognized on dispatch of goods to customers upon inspection and clearance by the clients. Export sales on FOB basis are recognized upon despatch and that of CIF basis upon acceptance of goods by the clients.

b. Other Income and Expenses:

On accrual basis.

8 Employee Benefits:

i) Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service.

ii) Post –Employment benefit Plans:

a) Upto the year 2008-09 the Company has set up separate Trust for Provident Fund and has been contributing towards the same. Contribution towards pension fund is made to PF authorities on monthly basis. From 01.04.2009 onwards based on the order of the Provident Fund Commissioner-I, withdrawing the relaxation under Para 79 of the Employees' Provident Fund Scheme 1952, the Provident Fund contributions are remitted to the PF authorities.

b) Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

c) For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each annual balance sheet date. All re-measurement items occurring during the year are recognized in the Other Comprehensive Income(OCI). Re-measurements arising from defined benefit plans comprise actuarial gains and losses on benefit obligations and the return on plan assets in excess of what has been estimated. The company recognises these items of re-measurements immediately in other comprehensive income and all the other expenses related to defined benefit plans in employee benefit expenses in profit and loss account.

d) The retirement benefit obligation recognized in the annual balance sheet represents the present value of the defined obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme. For the employees who had already left like VSS optees etc., the gratuity and leave encashment is provided on actual basis.

9 Provision for Warranty Period Expenses

Provision is made for warranty period expenses at a percentage on net turnover of the year, arrived at based on actual warranty period expenses incurred compared with the average net turnover of the previous three financial years.

10 Liquidated Damages

Provision for liquidated damages is recognised for the period of delay between the due date of supply of the goods as per delivery schedule and its expected date of delivery of the said goods. In respect of repair/replacement, provision for liquidated damages is recognised at the time of revenue recognition.

11 Borrowing Costs

Borrowing costs which are not attributable to be acquisition and construction of the qualifying asset are being recognized as an expense in the period in which they are incurred.

12 Accounting for Leases

The lease agreement entered with the lessors are for monthly rental hiring basis of office accommodation for a period of eleven months and with subsequent renewal clause on mutual agreement. The lease agreement also can be cancelled by either party on giving notice at any time with in a prescribed time limit. The lease does not transfer all the risks and rewards incidental to ownership. There is no provision to acquire title to the asset upon fulfilment of the agreed conditions. The monthly lease rents are being recognized as an expense in the period in which they are incurred.

13 Taxes on Income

a) Taxation comprises of current tax and deferred tax charge or credit

b) Current tax is the amount of tax payable on the taxable Income for the year as determined in accordance with the applicable tax rates and provisions of Income Tax Act,1961.

c) The deferred tax on timing differences between book profit and taxable profit for the year is accounted for applying the tax rates and laws that have been enacted or substantively enacted as on the annual balance sheet date. deferred tax assets arising from timing difference in excess of deferred tax liability are recognized to the extent there is a reasonable certainty that such assets can be realized in future.

14 Claims by the Company

Claims on purchasers/suppliers towards differential in awarded rate during the scheduled delivery period are accounted when claims are preferred and carried forward till such time the company has a legal right to recover such amounts. Such claims are reviewed at annual balance sheet date.

15 Provisions and Contingent Liabilities

A provision is recognised, when the Company has the present obligation as result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which reliable estimate can be made.

Where no reliable estimate can be made or when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources, disclosure is made as contingent liability.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

16 Onerous Contract

The excess of unavoidable costs of meeting the obligations on onerous contracts over economic benefits expected to be received is charged to the Statement of Profit and Loss in the year in which the contract become onerous and is recognized and measured as loss.

.

Note 2- Plant, Property and Equipment

Note 2A -Gross Carrying cost -Plant, Property and Equipment

(Rupees in Hundreds)

Particulars	Gross block as at 1st April 2018	Additions	Disposals	Gross block as at 31st March 2019
Land -(Freehold)	420,136	-	-	420,136
Buildings	337,948	-	-	337,948
Plant and Equipment	3,213,507	-	-	3,213,507
Furniture and Fixtures	7,962	-	-	7,962
Vehicles	12,741	-	-	12,741
Office Equipment	4,537	218	171	4,584
Others				
EDP Equipments	5,318	-	-	5,318
TOTAL	**4,002,149**	**218**	**171**	**4,002,196**
Previous Year	3,998,297	7,799	3,947	4,002,149

Note 2B -Accumulated Depreciation- Plant, Property and Equipment

Particulars	Balance as at 1st April 2018	Additions	Disposals	Balance as at 31st March 2019	Net Block as at 31st March 2019	Net Block as at 31st March 2018
Land -(Freehold)	-	-	-	-	420,136	420,136
Buildings	203,424	9,928	-	213,352	124,596	134,524
Plant and Equipment	2,851,859	18,758	-	2,870,617	342,890	361,649
Furniture and Fixtures	7,744	10	-	7,754	209	218
Vehicles	8,526	944	-	9,470	3,271	4,215
Office Equipment	4,144	95	171	4,068	516	393
Others						
EDP Equipment	4,577	200	-	4,777	541	741
TOTAL	**3,080,274**	**29,935**	**171**	**3,110,038**	**892,159**	**921,876**
Previous Year	3,050,841	30,255	822	3,080,274	921,876	947,456

Particulars	As at 31st March 2019	As at 31st March 2018
Note 3- Other non- current assets		
Unsecured considered Good		
Security Deposits	4,740	6,895
TOTAL	**4,740**	**6,895**
Note 4- Inventories		
Inventories (*)		
(a) Raw-Materials	199,296	199,296
Less: Provision for redundancy	86,648	86,648
	112,648	**112,648**
(b) Work-in-Progress	204,807	204,807
Less: Provision for redundancy	54,942	54,942
	149,865	**149,865**
(c) Stores and Spares	14,876	17,678
(d) Disposable Scrap	1,301	1,301
TOTAL	**278,690**	**281,492**
(*) Refer Significant accounting policies		
Note 5- Trade Receivables		
Trade Receivables (*)		
Secured - Considered good	-	-
Unsecured - Considered good	712,571	743,531
	712,571	**743,531**
Doubtful (*)	897,258	892,357
Less: Provision for Doubtful Debts	897,258	892,357
	-	-
TOTAL	**712,571**	**743,531**
(*) 1. Trade Receivables (Unsecured - Considered good) includes amounts receivable from TCIL(Related Party) amounting to Rs.1,97,114/- (Previous Year - Rs.1,96,101/-)		
(*) 2. Trade Receivables (Doubtful) includes amounts receivable from TCIL (Related Party) amounting to Rs.11,003/-(Previous Year - Rs.11,003/-)		
Note 6- Cash & Cash Equivalents		
Balances with Bank		
- Current Accounts	20,656	53,330
- Margin money with Yes bank	33,617	39,434
Cash-on-hand	152	165
Others - Imprest	-	17
TOTAL	**54,425**	**92,946**
Note 7- Short- term Loans		
Unsecured Considered Good		
Employee advances	207	185
TOTAL	**207**	**207**

Particulars	As at 31st March 2019	As at 31st March 2018
Note 8- Other Current assets		
(a) Deposit against Sales tax case	75,000	75,000
(b) Government departments for excise duty & service tax	1,276	1,345
(c) Claims recoverable - Customs	-	9,046
(d) Tax deducted at source receivable	5,527	5,244
(e) Amount recoverable from vendors	8,418	23,625
(f) Prepaid Expenses - Unsecured, considered good	317	592
(g) Interest accrued on investment	46	22
(h) GST- Input tax receivable	28,592	12,172
(i) Interest Receivable - Yes Bank	850	409
TOTAL	**120,026**	**127,455**
EQUITY		
Note 9- Equity Share Capital		
A) Authorised:		
5,00,00,000 Equity Shares of Rs.10 each (previous year 5,00,00,000 Equity Shares of Rs.10 each)	5,000,000	5,000,000
B) Shares Issued, Subscribed & fully paid up and Subscribed and not fully paid up		
Issued:		
4,56,81,000 Equity Shares of Rs.10 each (previous year 4,56,81,000 Equity Shares of Rs.10 each)	4,568,100	4,568,100
Subscribed & Fully paid up:		
4,56,71,400 Equity Shares of Rs.10 each (previous year 4,56,71,400 Equity Shares of Rs.10 each)	4,567,140	4,567,140
Subscribed & not fully paid up: "9,600 Equity Shares of Rs.10 each (previous year 9,600 Equity Shares of Rs.10 each)"	960	960
Less: Allotment money unpaid -others - 9,600 Equity Shares of Rs. 5 each (previous year 9,600 Equity Shares of Rs. 5 each)	(480)	(480)
Subscribed & paid up	**4,567,620**	**4,567,620**
C) Par Value per Share (Rs.)	10	10
Reconciliation of the Number of Shares Outstanding at the beginning and at the end of the Reporting period:		
Number of shares outstanding at the beginning of the reporting period	45,681,000	45,681,000
Number of shares outstanding at the end of the reporting period	45,681,000	45,681,000
D) Rights, preferences and restrictions attached to shares:		
Equity Shares: The company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity		

Particulars	As at 31st March 2019	As at 31st March 2018
shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding after settlement of all Preferential amounts.		
E) Shares held by Holding Company: (by virtue of Section 2(87) of the Companies Act, 2013)		
2,23,83,700 Equity Shares of Rs.10 each (49%) held by Telecommunications Consultants India Limited (One of the Promoters)	2,238,370	2,238,370

F) Details of Share holders holding more than 5% of shares:

S.No.	Name of Share Holder	31st March 2019		31st March 2018	
		Number of shares held	Percentage of Holding (%)	Number of shares held	Percentage of Holding (%)
1	Telecommunications Consultants India Ltd (TCIL)	22,383,700	49.00	22,383,700	49.00
2	Tamilnadu Industrial Development Corporation Ltd (TIDCO)	6,684,000	14.63	6,684,000	14.63
3	State Bank of India (SBI)	4,247,500	9.30	4,247,500	9.30
4	Fujikura Limited, Japan	3,280,000	7.18	3,280,000	7.18

Note 10- Other equity		
(i) Other Reserves		
Securities Premium Reserve		
Opening Balance	98,400	98,400
Add: Securities Premium credited on Share Issue	-	-
Less: Issue of Bonus Shares	-	-
Closing Balance	**98,400**	**98,400**
Capital Restructuring Reserve		
Balance at the beginning of the year	979,711	979,711
Add: Additions / transfers during the year	-	-
Less: Utilisations / transfers during the year	-	-
Closing Balance	**979,711**	**979,711**
(ii) **Retained earnings -Surplus in the statement of profit and Loss**		
Surplus in Statement of Profit and Loss	**(14,274,510)**	**(12,854,526)**
Add: Net Profit /(Net Loss) for the current year	(1,570,547)	(1,440,533)
Less: Appropriations / Allocations		
- Adjustments on account of IND AS		
i) Prior period expenses charged to the respective year	-	-
Add: Other Comprehensive income	(22,915)	20,550
Closing Balance	**(15,867,972)**	**(14,274,509)**
TOTAL	**(14,789,861)**	**(13,196,398)**

Particulars	As at 31st March 2019	As at 31st March 2018
Note 11- Long term Borrowings		
A. Secured Long Term Borrowings:		
Loans and Advances from Related Parties - (*)	1,165,730	1,165,730
TOTAL	**1,165,730**	**1,165,730**
(*)		
1. Consists of Bridge loan from TCIL Rs.11,65,730(Previous year - Rs. 11,65,730).		
2. Bridge loan is short term loan provided by TCIL as per the Sanctioned Scheme of Erstwhile BIFR which has to be repaid by arrangment through banks as early as possible. The rate of interest is SBI Base rate + 2.5% p.a		
3. Considering the present inability of the company to repay its debts, the Bridge loan is treated as Long Term borrowings in the books of the company.		
4. Secured against all the fixed assets as well as current assets of the Company as at present existing and to be acquired in future		
Note 12- Long term Provisions		
A. Provision for Employee benefits		
Gratuity	276,623	224,466
Leave Encashment	45,933	40,274
TOTAL	**322,556**	**264,740**
Note 13- Short Term Borrowings		
A. Secured		
Loans and Advances from Related Parties - (*)	1,512,498	1,242,766
TOTAL	**1,512,498**	**1,242,766**
(*)		
1. Consist of Working Capital support from TCIL of Rs.15,12,498 (Previous year - Rs.12,42,766)		
2. Working capital support provided by TCIL are being adjusted against the realisation on revolving basis. The rate of interest is SBI Base rate + 2.5% p.a		
3. Secured against all the fixed assets as well as current assets of the Company as at present existing and to be acquired in future		
Note 14- Trade Payables		
Trade Payables (*)		
Secured	5,882,718	5,880,618
Unsecured	331,073	328,470
TOTAL	**6,213,791**	**6,209,088**
(*)		
1. Secured Payables of Rs. 58,82,718 (Previous year - Rs. 58,80,618) comprises of dues to TCIL towards raw material support. The rate of interest is SBI Base rate + 2.5% p.a.		
2. Secured against all the fixed assets as well as current assets of the Company as at present existing and to be acquired in future.		

Particulars	As at 31st March 2019	As at 31st March 2018
Note 15- Other Current Financial Liabilities		
Unsecured		
Dues to Related parties (*)	193,788	189,656
Interest accrued and due on borrowings from TCIL (Dues to Related Party)(**)	2,278,734	1,428,341
Others : Earnest Money Deposits, Security Deposits	13,859	13,859
TOTAL	**2,486,381**	**1,631,856**
(*) Consists of Royalty & Technical Know how fee payable to Fujikura Limited, Japan		
(**) Interest accrued and due on borrowings from TCIL includes interest outstanding on all borrowings(Bridge Loan, Working Capital Support and Raw material support)from TCIL		
Note 16- Other Current Liabilities		
Statutory dues payable	72,386	50,492
Others	40,810	35,712
TOTAL	**113,196**	**86,204**
Note 17- Short term Provisions		
Provision for employee benefits		
Gratuity	31,829	31,829
Leave encashment	20,765	20,765
Providend Fund	53,181	6,335
Others	281,409	101,055
Provisions for Warranty	7,308	7,308
Provision for Onerous Loss	30,580	35,481
Provision for Sales Tax Demand	45,835	-
TOTAL	**470,907**	**202,773**

(Rupees in Hundreds)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Notes to Profit and Loss Account		
Note 18- Revenue from operations		
(a) Sale of Products		
- Sale of cables - domestic	-	160,689
(b) Other Operating Revenues		
- Sale of scrap	-	0
	-	160,689
Less: Excise Duties	-	777
TOTAL	**-**	**159,912**
Note 19- Other Income		
Interest Income	3,200	2,203
Amount written back	2,261	5,703
Miscelleneous Income	-	1,647
TOTAL	**5,461**	**9,553**
Note 20- Cost of materials consumed		
Raw Material consumption		
Opening stock	218,274	246,722
Add: Purchases	-	75,347
Add: Direct Expenses	-	49
Less: Closing stock	215,473	218,275
TOTAL	**2,801**	**103,843**
Note 21- Changes in inventories of finished goods,Stock-in-Trade and work-in-progress		
(a) Opening Stock		
- Work in Progress	204,807	212,775
(b) Closing Stock		
- Work in Progress	204,807	204,807
Decrease / (Increase) in inventories of finished goods, work-in-progress and stock-in-trade	**-**	**7,968**
Note 22- Employee benefits expense		
(a) Salaries and Wages	395,629	394,306
(b) Contribution to Provident & Other Funds	70,961	89,819
(c) Staff Welfare expenses	29,404	29,439
TOTAL	**495,994**	**513,564**
Note 23- Finance costs		
(a) Interest Expense		
- Interest on term loans - Bridge loan from TCIL	133,219	133,197
(b) Other borrowing Costs		
- On Raw materials / working capital support by TCIL	753,029	702,489
(c) Bank Charges	10,398	8,510
TOTAL	**896,646**	**844,196**

(Rupees in Hundreds)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Note 24- Depreciation and amortization expense		
Depreciation	29,935	30,255
TOTAL	**29,935**	**30,255**
Note 25- Other expenses		
(a) Consumption of Stores & Spares	-	83
(b) Power & Fuel	15,806	28,890
(c) Rent	1,104	1,104
(d) Repairs to Building	327	-
(e) Repairs to Machinery	-	1,168
(f) Insurance	742	1,932
(g) Rates & Taxes (excluding income tax)	23,760	11,592
(h) Miscellaneous Expenditure		
- Printing & Stationery	784	1,446
- Postal & Telecommunications	611	1,005
- Travelling & conveyance	2,495	5,429
- Repairs & Maintenance - Others	780	1,984
- Machinery Hiring Charges	-	908
- Advertisement other than publicity	310	447
- Upkeep charges	8,802	7,538
- Professional and Consultancy Charges	7,908	8,252
- Security Charges	3,692	8,289
- Product Type Approval Charges	-	16
- Entertainment & Business Promotion Expenses	252	960
- AGM expenses - printing, postage,auditorium rent etc.,	7,994	8,812
- Staff Training Expenses	2,360	2,824
- Listing fee to Stock Exchanges	5,653	4,545
- PF administration and inspection charges	2,149	2,966
- Freight & insurance charges	-	745
- Selling Expenses	-	1,051
- Board Meeting Expenses travelling	891	1,046
- Annual Custodial fee to Depositories	1,588	1,704
- Other miscellaneous expenses	8,431	1,611
(i) Net loss on foreign currency transaction and translation	6,908	220
(j) Payment to Auditors		
- As Auditor (Excluding GST)	1,000	1,000
- For other services	450	450
(l) Provision for Sales Tax Demand	45,835	-
TOTAL	**150,632**	**108,017**

(Rupees in Hundreds)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Note 26- Exceptional Item		
(a) Loss on sale of Fixed Assets	-	2,155
TOTAL	**-**	**2,155**
Other Comprehensive Income		
Note 27- Items that will not be reclassified to profit or loss		
(a) Gratuity	(22,915)	20,550
	-	-
TOTAL	**(22,915)**	**20,550**

Notes 28

1 **Financial Instruments: (Indian Rupees in Hundreds)**

i Financial Risk Management:

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Financial Risks in a Business Entity can be classified as Market Risk, Credit Risk and Liquidity Risk. The status of these Risks at the Company is as brought out hereunder:

a) Market Risk:

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

b) Credit Risk:

Credit risk arises from the possibility that customers or counterparty to financial instruments may not be able to meet their obligations. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Credit risks arises from cash and cash equivalents, deposits with banks, financial institutions and others, as well as credit exposures to customers, including outstanding receivables. The Company's policy is to place cash and cash equivalents and short term deposits with reputable banks and financial institutions.

c) Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date 31.03.2019.*

Particulars	Carrying value	Less than 1 year	More than 1 year upto 3 years	Beyond 3 years	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Borrowings	2,678,228	2,678,228			2,678,228
Trade Payables	6,213,791	6,213,791			6,213,791
Other Financial Liabilities	2,486,381	2,486,381			2,486,381
Total	**11,378,400**	**11,378,400**	**-**	**-**	**11,378,400**

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date 31.03.2018.*

Particulars	Carrying value	Less than 1 year	More than 1 year upto 3 years	Beyond 3 years	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
Borrowings	2,408,496	2,408,496			2,408,496
Trade Payables	6,209,088	6,209,088			6,209,088
Other Financial Liabilities	1,631,856	1,631,856			1,631,856
Total	10,249,440	10,249,440	-	-	10,249,440

* The table has been drawn up based on undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

The table includes both interest and principal cash flows.

ii. Fair Values Hierarchy

Financial assets and Financial liabilities measured at fair value in the statement of financial position are categorized into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1 - Quoted Prices (unadjusted) in active markets for financial instruments

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Valuation Techniques:

The Carrying value of financial assets and liabilities with maturities less than 12 months are considered to be representative of their fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

iii. The carrying value and fair value of Financial instruments by each category as at 31st March, 2019 were as follows.

Sl. No	Particulars	Financial assets/liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total Carrying Value	Total Fair Value
A.	**Financial assets**					
	(i) Trade receivables	712,571			712,571	712,571
	(ii) Cash and cash equivalents	54,425			54,425	54,425
	(iii) Short term Loans	207			207	207
	Total financial assets	767,203	-	-	767,203	767,203
B	**Financial Liabilities**					
	(i) Borrowings	2,678,228			2,678,228	2,678,228
	(ii) Trade Payables	6,213,791			6,213,791	6,213,791
	(iii) Other Financial Liabilities	2,486,381			2,486,381	2,486,381
	Total financial assets	**11,378,400**	**-**	**-**	**11,378,400**	**11,378,400**

The carrying value and fair value of Financial instruments by each category as at 31st March, 2018 were as follows.

Sl. No	Particulars	Financial assets/liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total Carrying Value	Total Fair Value
A.	**Financial assets**					
	(i) Trade receivables	743,531			743,531	743,531
	(ii) Cash and cash equivalents	92,946			92,946	92,946
	(iii) Short term Loans	185			185	185
	Total financial assets	836,662	-	-	836,662	836,662
B	**Financial Liabilities**					
	(i) Borrowings	2,408,496			2,408,496	2,408,496
	(ii) Trade Payables	6,209,088			6,209,088	6,209,088
	(iii) Other Financial Liabilities	1,631,856			1,631,856	1,631,856
	Total financial assets	**10,249,440**	**-**	**-**	**10,249,440**	**10,249,440**

iv. Capital Management:

The Company's capital management objectives are:
- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of Balance Sheet.

Management assesses the Company's capital management in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Dividends		
Particulars	**31.03.2019**	**31.03.2018**
(a) The amount of dividend proposed and not recognized at the end of the reporting period to be distributed to Equity share holders	-	-
(b) The corresponding amount of dividend distribution tax for the amount of proposed dividend	-	-

2. The Company is having a system of sending letters to the Debtors for confirming the balance as at the year-end 31st March. However, the balances of debtors, creditors, loans and advances (other than Telecommunications Consultants India Limited (TCIL)) are subject to confirmation.

3. (a) No provision is made for one long pending debtor Rs. 3,39,505 (previous year Rs. 3,39,505) in view of the arbitration proceeding completed against the Purchaser for which the Award was received on 14th January 2005 in favour of the Company but has since been challenged by the Purchaser in the court. Further the court remitted back the case to the Arbitrator for speaking orders which also had been awarded on 14th November 2014 in favour of the Company after arguments, cross examinations and written submissions. The purchaser has again appealed in the High Court. Now the matter is posted on list of final hearings of High court.

(b) No provision is made for Rs. 13,397 (previous year Rs. 13,397) 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.

4. After restructuring as per the Sanctioned Scheme of erstwhile BIFR during 2010-11, the net worth of the Company was positive during 2010-11. However, during the year 2011-12 the net worth had again eroded. The Company was under rehabilitation period as per the erstwhile BIFR Sanctioned Scheme. Lack of executable orders and dull phase of Optical Fiber Cable (OFC) market from the year 2010-11 onwards is the reason for the poor performance.

   During the year 2012-13 the Company had received order from BSNL for supply of 3206 KMs of OFC valuing Rs.15,97,011 and successfully executed the order in time and got 50% add-on order of 1602 KMs and executed during 2013-14 valuing Rs.7,98,007. These two were the only major orders executed during these two years.

   Bharat Broadband Network Limited (BBNL), the Special Purpose Vehicle of the Government, had floated the tender towards the National Optic Fiber Network (NOFN) project to connect all the villages by broad band. The date of tender opening was 08.05.2013. Though the initial projection was 600000 KMs, the tender called for is to cover 404995 KMs under six packages based on geographical location. For this huge quantum, BBNL has fixed the delivery time frame of eight months only including initial two months for preliminary arrangements. The Company has participated in one package considering its production capacity to cover the quantum in the given short delivery period. The Company has received APO and given acceptance during February, 2014 for 5800 KMs including accessories. The Value of the APO is Rs. 31,90,444. BBNL has proposed to issue PO in two phases of 50% each. During April,2014, BBNL has issued the first 50% PO for 2900 KMs including accessories valuing Rs. 1,595,273. Delivery period was upto October, 2014. BBNL has issued the consignee details in full periodically for four months consignments of 1740 KMs only. For fifth month consignment, consignee details were provided for only 48 KMs out of 580 KMs. Hence consignee details are not provided for balance around 1112 KMs. BBNL has extended the delivery schedule by another six months beyond October,2014. Hence the supply of balance around 1112 KMs and second 50% PO for 2900 KMs was anticipated during 2016-17and 2017-18 for execution. However, BBNL did not decide on the consignees and no supply could, therefore, be made thereafter.

   The Company had participated in the tender floated by BSNL for supply of 24,000 KMs of 24F HDPE DS OFC. The technical bid opened and the company has been technically qualified. Financial bid opened on 21.5.2015 which was followed by e reverse auction but TTL could not compete in the e-reverse auction.

   The company had railway orders worth Rs.10 cr during the financial year 16-17 and 17-18. But due to non-availability of fiber from Fujikura, Japan, the orders could not be executed.

   The requirement of OFC in the country is huge; however the delay in procurement is due to various procedural matters / issues in execution of big projects by the Government Clients.

   The Company is hoping to get continuous orders since the OFC market is picking up.The order booking position is expected to improve in future as there is huge requirement of OF cable forTamil Nadu Fibrenet Corporation (TANFINET) for implementing BharatNeta scheme for making broadband connectivity available in rural areas of Tamilnadu.The company and the promoters of the company are taking various efforts for revival of the companyas detailed below:

   i. The proposal of taking over the company by BSNL has been initiated. The Consultant appointed by the BSNL submitted duediligence report after vetting the documents of the company. Meeting was held on 7thMarch 2019 chaired by AS (T) at Department of Telecommunication and decided to reexamine the case by both TCIL and BSNL.

   ii. Diversion of existing skilled employees to Fiber Optic Splicing, Survey, Optical Laying Supervision and other telecom related service contractsto maximize the utilization of existing skilled manpower. During the financial year 18-19, 45 no. of employees were selected for deputation to TCIL. 29 no. of employees were sent to TCIL on deputation basis till 31.03.2019 and 7 no. of employees were sent in the month of April and May 2019.

   iii. To obtain Preferential orders from Tamil Nadu Fibrenet Corporation (TANFINET), State PSU, for supplying Optical Fiber Cable in Tamilnadu. Management is continuously pursuing and approaching the concerned secretaries and ministers of Government of Tamilnadu

   iv. To obtain Turnkey contracts with the help of TCIL on nomination basis from DOT / PSUs / Tamilnadu Govt. and execute the orders so that excess skilled manpower will be utilized.

   v. Efforts are being made to carry out major repair / upgradation of plant and machineries in order to make the existing plant more operational.

   vi. TCIL management is taking efforts to revive TTL and a letter from Secretary, Telecom has been forwarded to Chief Secretary, Govt. of Tamilnadu in this regard.

vii. Since TTL has 5.51 acres of vacant land which can only be used for telecom related industrial purpose, efforts are being taken to utilize vacant land by venturing into other areas by way of Joint Venture with public / private partners.

viii. MOU was signed with ITI Limited (PSU) in the presence of Hon'ble Minister of Communication during the synergy meeting held on 22nd February 2018 at New Delhi for contract manufacturing.

ix. DOT discussed in the meeting held on 07.03.2019 with regard to takeover of TTL by BSNL, it is suggested by Ministry to BSNL to utilize the capacity of TTL since BSNL requirement is 100000 km per annum against TTL capacity of 10000 Km per annum.

Resolution is being passed in the coming 162nd board meeting to be held on 30.05.2019 to support TTL by the promoters company TCIL and TIDCO by providing orders on nomination basis as both TCIL and Tamilnadu state government have huge orders to implement the Bhartnet projects.

Considering the scope during the immediate future and TCIL's financial support the accounts have been prepared on going concern basis.

5. Land

a) The Company is currently in possession of 2.42 acres of land acquired from CMDA. In respect of the said land Memorandum of Lease cum Sale Agreement has been entered and on completion of payment, the Company has executed Sale Deed and the same in original was surrendered to SBI, which is yet to be returned by SBI for which due clearances were received from all the banks of the consortium. The Company is following up with SBI, in this regard

b) The Company is also in possession of 7.36 acres of free hold land of the Tamilnadu State Government. The cost of land determined by the Government in 2010 was paid by the Company. Land delivery receipt was issued to the Company by the Government. In the case of TN Government land, it is to be utilized for the purpose for which it is allotted.

6. As per Indian Accounting Standard 19 "Employee Benefits", the disclosures of Employee benefits are given below

A. Defined contribution Plan (Indian Rupees in Hundreds):

Contribution to Defined Contribution Plan, recognized as expense for the year are as under

Particulars	2018-19	2017-18
Employer's Contribution to Provident Fund	26,218	26,309
Employer's Contribution to Pension Scheme	9,680	10,257

Upto the year 2008-09 the Company has set up separate Trust for Provident Fund and has been contributing towards the same. In view of the fact that the Company is industrially sick as declared by erstwhile BIFR and its net worth has fully eroded, the Provident Fund Commissioner-I has withdrawn with effect from 01.04.2009 the relaxation order issued under Para 79 of the Employees' Provident Fund Scheme 1952, with a direction to remit the whole cash balance to Employees' Provident Fund (EPF) Account No.1 and the balance available in Special Deposit Account to Central Board of Trustees, Employees' Provident Fund. During the year the Company has followed the directions of the Provident Fund Commissioner-I and remitted the monthly contributions to the concerned Regional Provident Fund Commissioner

B. Defined Benefit Plan (All Figures in Rs.)

Gratuity (Un Funded)

The Company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as of the balance sheet date. The present value of obligation is determined based on actuarial

valuation using the Projected Unit Credit Method

The following table set out the status of the gratuity plan as required under Ind AS 19

Service Cost:

All Figures in INR	March 31, 2018	March 31, 2019
Current Service Cost	994,384	1,167,125
Past Service Cost (including curtailment Gains/Losses)	780,750	0
Gains or losses on Non Routine settlements	0	0
Total	**1,775,134**	**1,167,125**

Net Interest Cost:

All Figures in INR	March 31, 2018	March 31, 2019
Interest Cost on Defined Benefit Obligation	1,700,747	1,891,839
Interest Income on Plan Assets	115,180	129,778
Net Interest Cost (Income)	**1,585,567**	**1,762,061**

Change in Present Value of Obligations:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Opening of defined benefit obligations	22,676,631	24,099,857
Service cost	1,775,134	1,167,125
Interest Cost	1,700,747	1,891,839
Benefit Paid	0	0
Actuarial (Gain)/Loss on total liabilities:	**(2,052,655)**	**2,291,936**
- due to change in financial assumptions	(769,442)	885,179
- due to change in demographic assumptions	0	0
- due to experience variance	(1,283,213)	1,406,757
Closing of defined benefit obligation	**24,099,857**	**29,450,757**

Change in Fair Value of Plan Assets:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Opening fair value of plan assets	1,535,736	1,653,220
Actual Return on Plan Assets	117,484	130,207
Employer Contribution	0	4,995
Benefit Paid	0	0
Closing fair value of plan assets	**1,653,220**	**1,788,422**

Actuarial (Gain)/Loss on Plan Asset:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Expected Interest Income	115,180	129,778
Actual Income on Plan Asset	117,484	130,207
Actuarial gain /(loss) on Assets	**2,304**	**429**

Other Comprehensive Income:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Opening amount recognized in OCI outside P&L account	0	0
Actuarial gain / (loss) on liabilities	2,052,655	(2,291,936)
Actuarial gain / (loss) on assets	2,304	429
Closing amount recognized in OCI outside P&L account	**2,054,959**	**(2,291,507)**

The amount to be recognized in Balance Sheet Statement:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Present Value of Obligations	24,099,857	29,450,757
Fair value of plan assets	1,653,220	1,788,422
Net Obligations	22,446,637	27,662,335
Amount not recognized due to asset limit	**0**	**0**
Net defined benefit liability / (assets) recognized in balance sheet	**22,446,637**	**27,662,335**

Expense Recognized in Statement of Profit and Loss:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Service cost	1,775,134	1,167,125
Net Interest Cost	1,585,567	1,762,061
Expenses Recognized in the statement of Profit & Loss	**3,360,701**	**2,929,186**

Change in Net Defined Obligations:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Opening of Net defined benefit liability	21,140,895	22,446,637
Service cost	1,775,134	1,167,125
Net Interest Cost	1,585,567	1,762,061
Re-measurements	(2,054,959)	2,291,507
Contribution paid to fund	0	(4,995)
Closing of Net defined benefit liability	22,446,637	27,662,335

Reconciliation of Expense in Profit and Loss Statement:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Present Value of Obligation as at the end of the year	24,099,857	29,450,757
Present Value of Obligation as at the beginning of the year	(22,676,631)	(24,099,857)
Benefit Paid	0	0
Actual Return on Assets	(117,484)	(130,207)
OCI	2,054,959	(2,291,507)
Expenses Recognised in the Statement of Profit and Loss(*)	3,360,701	2,929,186

* Total Net Gratuity cost included in Note 22 amounts to Rs. 2,929,186/- (Previous Year- Rs. 4,935,052 /-). The amount ofNil (Previous Year- Rs. 1,574,351/-) pertaining to amount to be paid to retired employees is not considered in actuarial report.

Reconciliation of Liability in Balance Sheet:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Opening net defined benefit liability / (asset)	21,140,895	22,446,637
Expense charged to profit and loss account	3,360,701	2,929,186
Amount recognized outside profit & loss account	0	0
Employer Contributions	0	(4,995)
OCI	(2,054,959)	2,291,507
Closing net defined benefit liability / (asset)(*)	**22,446,637**	**27,662,335**

* Total Gratuity provision included in Note 12 and 17 amounts to Rs. 30,845,244/- (Previous Year- Rs. 25,629,546/-). The amount of Rs. 31,82,909/- (Previous Year- Rs. 31,82,909/-) pertaining to amount to be paid to retired employees are not considered in actuarial report.

Note: The estimates of rate of escalation in salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is based on the valuation certified by the actuary

C. Leave encashment (All Figures in Rs.)

The employees of the Company are entitled to compensated absence. The employees can carry forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence for a maximum of 240 days. The Company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date based on actuarial valuations.

The following table set out the status of the Leave Benefit plan as required under Ind AS 19

Service Cost:

All Figures in INR	March 31, 2018	March 31, 2019
Current Service Cost	413,979	463,395
Past Service Cost (including curtailment Gains/ Losses)	0	0
Gains or losses on Non Routine settlements	0	0
Total	**413,979**	**463,395**

Net Interest Cost:

All Figures in INR	March 31, 2018	March 31, 2019
Interest Cost on Defined Benefit Obligation	322,791	316,151
Interest Income on Plan Assets	0	0
Net Interest Cost (Income)	**322,791**	**316,151**

Change in Present Value of Obligations:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Opening of defined benefit obligations	4,303,882	4,027,396
Service cost	413,979	463,395
Interest Cost	322,791	316,151
Benefit Paid	(31,007)	0
Actuarial (Gain)/Loss on total liabilities:	**(982,249)**	**(213,602)**
- due to change in financial assumptions	(131,161)	142,689
- due to change in demographic assumptions	0	0
- due to experience changes	(851,088)	(356,291)
Closing of defined benefit obligation	**4,027,396**	**4,593,340**

Change in Fair Value of Plan Assets:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Opening fair value of plan assets	0	0
Actual Return on Plan Assets	0	0
Employer Contribution	31,007	0
Benefit Paid	(31,007)	0
Closing fair value of plan assets	**0**	**0**

Actuarial (Gain)/Loss on Plan Asset:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Expected Interest Income	0	0
Actual Income on Plan Asset	0	0
Actuarial gain /(loss) on Assets	**0**	**0**

Other Comprehensive Income:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Opening amount recognized in OCI outside profit and loss account	N/A	N/A
Actuarial gain / (loss) on liabilities	N/A	N/A
Actuarial gain / (loss) on assets	N/A	N/A
Closing of amount recognized in OCI outside profit and loss account	**N/A**	**N/A**

Note:- As per paragraph 154 and 156 of IND AS 19, Actuarial gains and losses on other long term employee benefit plans continue to be required to be recognized through P&L.

The amount to be recognized in Balance Sheet Statement:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Present Value of Obligations	4,027,396	4,593,340
Fair value of plan assets	0	0
Net Obligations	4,027,396	4,593,340
Amount not recognized due to asset limit	**0**	**0**
Net defined benefit liability / (assets) recognized in balance sheet	**4,027,396**	**4,593,340**

Expense Recognized in Statement of Profit and Loss:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Service cost	413,979	463,395
Net Interest Cost	322,791	316,151
Net actuarial (gain)/ loss	(982,249)	(213,602)
Expenses Recognized in the statement of Profit & Loss	**(245,479)**	**565,944**

Change in Net Defined Obligations:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Opening of Net defined benefit liability	4,303,882	4,027,396
Service cost	413,979	463,395
Net Interest Cost	322,791	316,151
Re-measurements	(982,249)	(213,602)
Contribution paid to fund	(31,007)	0
Closing of Net defined benefit liability	4,027,396	4,593,340

Reconciliation of Expense in Profit and Loss Statement:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Present Value of Obligation as at the end of the year	4,027,396	4,593,340
Present Value of Obligation as at the beginning of the year	(4,303,882)	(4,027,396)
Benefit Paid	31,007	0
Actual Return on Assets	0	0
OCI	N/A	N/A
Expenses Recognised in the Statement of Profit and Loss(*)	**(245,479)**	**565,944**

* Total Leave Benefit cost included in Note 22 amounts to Rs. 565,944/- (Previous Year Rs. 363,790/-). The amount of Nil (Previous Year Rs. 609,269) pertaining to retired employees is not considered in actuarial report.

Reconciliation of Liability in Balance Sheet:

	All Figures in INR	
Particulars	**March 31, 2018**	**March 31, 2019**
Opening net defined benefit liability / (asset)	4,303,882	4,027,396
Expense as above	(245,479)	565,944
Amount recognized outside profit & loss account	0	0
Employer Contributions	(31,007)	0
Closing net defined benefit liability / (asset)(*)	**4,027,396**	**4,593,340**

* Total Leave Encashment provision included in Note 12 and 17 amounting to Rs 6,669,888/- (Previous Year- Rs. 6,103,944/-). The amount of Rs. 2,076,548/- (Previous Year- Rs. 2,076,548/-) pertaining to retired employees are not considered in actuarial report.

7. a. Current Tax: No provision for income tax is made in view of the current year loss and the accumulated losses of previous years available for set off.

   b. 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. The treatment noted above is in accordance with the Indian Accounting Standard 12 "Taxes on Income/ Income Taxes" notified under Section 133 of the companies Act, 2013.

8. Work-in-Progress under Inventories as on 31.03.2019 includes realizable scrap comprising short length cables, quality defects cables, excess production cables for operational reasons, type approval cables and disputed returned cables. The above items are saleable with further processing and re-testing to the same or other customers. Due provision is made in respect of non-moving/ slow moving WIP inventories wherever necessary.

9. a. The Componentization of Fixed Assets have already been done at the time of capitalization of Fixed Assets. Further Componentization of Fixed Assets, at present is not technically felt appropriate by the Company.

   b. As stipulated in Ind AS – 36, the company is of the view that assets employed in continuing business are capable of generating adequate returns over their useful life in the usual course of business. There is no indication to the company of impairment of any asset and accordingly the Management is of the view that no impairment provision is called for during the year.

10. The Company is manufacturing OF cables only and no other business was undertaken during the year 2018-19.

11. Contingent Liabilities (Indian Rupees in Hundreds)

   (a) Claims against the company not acknowledged as debt:

      (i) Commercial Tax Department had demanded a sum of Rs.1,86,088 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, 2011and 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.

      (ii) The Sales Tax department has demanded a sum of Rs. 22,950 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.

      (iii) The Customs Authority has demanded an amount of Rs. 102,067 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.

      (iv) There is a demand from IT department for Rs.17,747 towards short deduction of TDS against interest payable to TCIL. We have represented the case with IT Department.

   (b) Guarantees (Indian Rupees in Hundreds)

      Guarantees arranged by TCIL in favour of the Company and issued by Banks outstanding as at March 31, 2019 is Rs. 5,30,120/-including expired Bank Guarantees to the extent of Rs. 1,10,243. (previous year Rs. 5,45,709 including expired Bank Guarantees to the extent of Rs. 90,868)

12. The Sales Tax department has demanded a sum of Rs. 45,835/- during the financial year 2018-19 pertaining to the years 2011-12 to 2015-16 for Tax on non-submission of C forms Rs. 14,354/-, ITC Reversal for CST sales without C forms Rs. 27,793/-, Tax on cross verification of buyer and seller Rs.3,430/- and TN vat 14.50% on disposal of movable assets Rs. 257/-. Provision for the same has been made in the books of accounts.

13. Commitments

(a) Estimated amount of Contracts remaining to be executed on Capital Account and not provided for during the year is Rs. 'Nil' (previous year Rs. 'Nil').

(b) Uncalled liability on shares and other investments which are partly paid up during the year is Rs.'Nil' (previous year Rs.'Nil')

14. The Company has no long term operating lease. No financial lease has been availed during the year.

15. A demand was raised by Income Tax Department towards tax to be deducted at source on Royalty amounting to Rs.25,422 (for the years 2000-01 & 2001-02). The company, has however, paid the entire amount of demand, out of which Rs. 21,937 is kept as recoverable. Appeal filed by the company for the above is pending in the Tribunal.

16. A writ petition has been filed by the Company in Madras High Court during the year 2008 against BSNL for reducing the awarded rate during the scheduled delivery period, in one of their orders without giving effect to BSNL's amendment to the 'Fall clause' applicable from 01.08.2005. BSNL has rejected and returned the differential claim invoice of the company for Rs.1,39,913. The case is pending in Madras High Court.

17. Earnings per share

Particulars	2018-19	2017-18
Net Profit / (Loss) after tax as per the Statement of Profit & Loss (Rs.)	(15,70,54,668)	(14,40,53,362)
Weighted average number of equity shares used as denominator for calculating EPS	4,56,76,200	4,56,76,200
Basic and diluted earnings per share (Rs.)	-3.44	-3.15
Face value per equity share (Rs.)	10	10

18. (i) A civil suit has been filed by the company in Delhi High court on 31.03.2011 to stay the Advance Purchase Order issued by BSNL, HQ for supply of 42000 KMs of OFC. This is in addition to the purchase order issued during January, 2011 for supply of 18000 KMs. The order for OFC supply is with Nylon 12 jacketing and subsequently BSNL has changed the specification with HDPE Double sheathing. During the year 2011-12 BSNL has floated tender for 42000 KMs with the new specification. Initially the case was filed in Delhi High Court against the APO. Now the matter is transferred from Delhi High court to District court (Patiala House) for deciding the APO. Now the matter is in progress. Last hearing was held on 15.01.2019. Arguments completed. Judgement will be pronounced on 09.07.2019

(ii) The Company has invoked Arbitration Clause during the year 2014-15 in respect of BSNL's short closure of the PO for supply of 18000 kms. The case is in progress under the Supreme Court of India. The next hearing date is not fixed.

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

20. Related Party Disclosures: Disclosures as required by the Ind AS-24 "Related Party Disclosures" are as given below:

List of Related Parties:

Associate Companies

1. Fujikura Ltd., Japan, Technical Collaborator & Equity Partner
2. Telecommunications Consultants India Ltd., (including fellow subsidiaries), Equity Partner

Key Managerial Personnel

1. Shri. Sanjeev Kumar Kesari, Managing Director (from 23.03.2018)
2. Shri. J.Ramesh Kannan, General Manager (F&A) (from 31.12.2016)
3. Smt. Swapnil Gupta, Manager (CS) (from 13.02.2019)

Transaction with Related Parties

(Rupees in Hundreds)

Name of the Transaction	Associate Companies				Key Management Personnel	
	Fujikura Ltd. Japan		TCIL(including fellow subsidiaries)			
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
01. Purchase of Raw Material / Capital Goods	-	-	-	77,382	-	-
02. Managerial Remuneration	-	-	-	-	62,760	52,033
03. Trade Receivable(Net off Provision for Doubtful Debts)	-	-	1,97,114*	1,96,101*	-	-
04. Outstanding Balances including supply credits As on 31st March	1,93,788*	1,89,656*	91,23,263	81,32,926	-	-
05. Secured Loans as on 31st March	-	-	17,16,417	15,84,530	--	--

* Movement in balance includes exchange rate fluctuation

21. There is no reportable operating segment in terms of Paragraph number 13 of Ind AS 108 – Operating Segments.

22. 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.108,39,680 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

23. Figures are rounded off to nearest rupee.

24. Figures of previous year have been regrouped/rearranged, wherever necessary, to conform to the current year's classification.

25 Particulars of Imports, Consumption etc.,

a) Value of imports during the year - CIF Basis

(Rupees in Hundreds)

Particulars	Amount	
	2018-19	2017-18
I. Raw Materials	-	-

b) Expenditure in foreign currency during the year (on payment basis)

Particulars	Amount	
	2018-19	2017-18
I. Raw materials and spares	-	759

c) Consumption of imported and indigenous raw materials, spare parts and components

Particulars	2018-19		2017-18	
	Amount	% to total consumption	Amount	% to total consumption
I. Direct Imports:				
a) Raw materials	-	-	138	0.1%
b) Spare parts and components	-	-	784	1%
II. Imports through TCIL:				
a) Raw materials	-	-	14,659	14%
b) Spare parts and components	-	-	-	0%
III. Indigenous:				
a) Raw materials	-	-	89,046	85%
b) Spare parts and components*	-	-	83	0.1%
TOTAL	**-**	**-**	**104,710**	**100%**

* Spare parts and components of Rs 8,300 is debited in other expenses

d) Amount remitted in foreign currency during the year

(Rupees in Hundreds)

Particulars	Amount	
	2018-19	2017-18
I. Dividends:	-	-

e) Earnings in Foreign exchange (on realisation basis)

Particulars	Amount	
	2018-19	2017-18
I. Export of goods - FOB Basis	-	-

f) Dividends proposed to be distributed

Particulars	Amount	
	2018-19	2017-18
I. Equity Shares:		
(a) Proposed amount per share	-	-
(b) Period to which the dividend is related	-	-
	-	-

g) Raw Materials Consumed

Particulars	UOM	2018-19		2017-18	
		Quantity	Amount	Quantity	Amount
Fiber	KM	-	-	3,478	14,659
FRP	KM	-	-	296	4,802
HDPE	Kgs	-	-	33,905	34,539
Steel Tapes	Kgs	-	-	818	815
Others*		-	2,801		49,028
TOTAL			**2,801**		**103,843**

* Though there is no consumption during the 18-19, it is a rectification entry passed.

h) Amount payable / receivable in Foreign Currency (unhedged) on account of the following:

Particulars	2018-19		2017-18	
	Foreign Currency	Amount	Foreign Currency	Amount
Import creditors / Technology transfer fee	USD 191,690.00	132,654	USD 191,690.00	124,733
Export Debtors	USD 24,522.29	16,970	USD 24,522.29	15,957

As per our report of even date attached
For R Bupathy & Co.
Chartered Accountants
Firm Regn No. 000525S

CA V Thiagarajan
Partner
Membership No. 203328

Place : Chennai
Date : 30-05-2019

For and on behalf of Board of Directors

Sanjeev Kumar Kesari
Managing Director

Rajiv Gupta
Chairman

J. Ramesh Kannan
GM (Finance)

TAMILNADU TELECOMMUNICATIONS LIMITED

Registered Office: No.16, 1st Floor, Aziz Mulk 3rd Street, Thousand Lights, Chennai -600 006
CIN :L32201TN1988PLC015705, Telefax:044-28292653, Website : www.ttlofc.in

ATTENDANCE SLIP

Name of the Member: ……

Name of the Proxy if attending on behalf of the member …….....

I hereby record my presence at the 31st Annual General Meeting of the Company to be held on Friday, the 27th day of September 2019 at 11.30 a.m. at Mylapore Fine Arts Club, 45 Musiri Subramaniam Road, Mylapore, Chennai-600004.

Ledger Folio No	
DP ID*	
Client ID*	
No.of Shares	

* Applicable for members holding shares in dematerialized form.

……..……..

Member's / Proxy Signature
(To be signed at the time of handing over the slip)

TAMILNADU TELECOMMUNICATIONS LIMITED

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L32201TN1988PLC015705
Name of the company: TAMILNADU TELECOMMUNICATIONS LIMITED
Registered Office: No.16, 1st Floor, Aziz Mulk 3rd Street, Thousand Lights, Chennai -600 006

Name of the members (s):
Registered address:
E-mail Id:
Folio No/ Client Id:
DP ID

I/We, being member(s) of…….....shares of the above named company, hereby appoint

1. Name:..... Address: E-mail: Signature:....., or failing him	2. Name:..... Address: E-mail: Signature:....., or failing him	3. Name:..... Address E-mail: Signature:..... or failing him

as my / our proxy to attend and vote (on a poll) for me / us on my / our behalf at the 31st Annual General Meeting of the company, to be held on Friday, 27th day of September 2019 at 11.30 a.m at Mylapore Fine Arts Club, 45 Musiri Subramaniam Road, Mylapore, Chennai-600004.

and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To adopt the Audited Financial Statements for the year ended on 31st March, 2019 with Director's and Auditor's Report
2. Appointment of Shri Rajiv Gupta being eligible to retire by rotation
3. Appointment of Shri B. Elangovan being eligible to retire by rotation
4. To fix remuneration of Auditors for the financial year 2019-20
5. Regularization of appointment of Shri Kamendra Kumar
6. Regularization of appointment of Mrs Shivalini Sinha

Affix Revenue Stamp Re.1/-

Signed this……day of……2019

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hrs before the commencement of the Meeting.

Registered Book Post / Courier

To

If undelivered please return to:

TAMILNADU TELECOMMUNICATIONS LIMITED
No.16, 1st Floor, Aziz Mulk 3rd Street,
Thousand Lights, Chennai – 600 006.