महानगर टेलीफोन निगम लि॰
(भारत सरकार का उद्यम)
Mahanagar Telephone Nigam Ltd.
(A Government of India Enterprise)
CIN: L32101DL1986GOI023501

MTNL/SECTT/UA[illegible]
November 09, 2015

The Secretary,
Bombay Stock Exchange,
National Stock Exchange, OTCQX

Sub: Compliance of Clause 41 of the Listing Agreement - Submission of Un-audited Reviewed Financial Results for the Quarter ended 30th September, 2015.

Dear Sir,

Further to our Letter of even number dated 2nd November, 2015, we are forwarding herewith the Unaudited Reviewed Financial results along with the Limited Review Report submitted by the Statutory Auditors of the Company for the quarter ended 30th September, 2015 duly approved by the Board of Directors in its 312th Meeting held in New Delhi today i.e. 09 November, 2015.

Kindly acknowledge receipt of the same and take the same on record.

The results are being published in newspapers as per the requirement of Clause 41 of the Listing Agreement.

Thanking You,

Yours Faithfully,

(S.R. SAYAL)
COMPANY SECRETARY

Encl: As above.

Annexure A

MAHANAGAR TELEPHONE NIGAM LIMITED

(A Govt. of India Enterprise)

Regd. Office : Mahanagar Doorsanchar Sadan, 5th Floor, 9, CGO Complex, Lodhi Road, New Delhi-110003

STATEMENT OF STANDALONE UNAUDITED REVIEWED RESULTS FOR THE QUARTER AND SIX MONTHS ENDED ON 30/09/2015

(Rs. In Crore)

Sl. No.	Particulars	3 months ended 30/09/2015	Preceeding 3 months ended 30/06/2015	Corresponding 3 months ended 30/09/2014 in the previous year	Year to date figures for Current period ended 30/09/2015	Year to date figures for previous period ended 30/09/2014	Previous year ended 31/03/2015
	(Refer Notes Below)	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1	2	3	4	5	6	7	8
1	Income from operations						
	(a) Net income from operations	783.68	800.20	845.26	1,583.88	1,699.59	3,386.52
	(b) Other operating income	3.53	3.43	5.46	6.96	7.15	13.56
	Total income from operations (Net)	787.21	803.63	850.72	1,590.84	1,706.74	3,400.08
2	Expenses						
	(a1) Employee benefits other than retirement benefits	594.47	591.88	568.14	1,186.35	1,163.26	2,347.93
	(a2) Employee benefits for retirement benefits	83.64	68.76	77.74	152.40	136.73	305.26
	(b) Revenue Sharing	64.95	63.60	96.11	128.55	193.29	370.02
	(c) Licence Fees and Spectrum Charges	57.10	59.23	65.12	116.33	130.92	270.61
	(d) Depreciation and Amortisation expenses	270.82	279.30	269.10	550.12	579.58	1,158.59
	(e) Administrative, Operative & Other Expenses	176.26	228.84	229.96	405.10	402.98	822.44
	Total Expenses	1,247.24	1,291.61	1,326.17	2,538.85	2,606.76	5,274.84
3	Profits/ (Loss) from Operations before other income, Finance cost and exceptional items (1-2)	(460.03)	(487.98)	(475.45)	(948.01)	(900.02)	(1,874.76)
4	Other Income	53.23	53.25	50.59	106.48	104.90	420.98
5	Profit / (Loss) from ordinary activities before Finance cost and exceptional items (3+4)	(406.80)	(434.73)	(424.86)	(841.53)	(795.12)	(1,453.77)
6	Finance costs	323.64	310.24	409.36	633.87	772.33	1,439.62
7	Profit / (Loss) from ordinary activities after Finance cost but before exceptional items (5-6)	(730.44)	(744.97)	(834.22)	(1,475.41)	(1,567.45)	(2,893.39)
8	Exceptional items	-	-	-	-	-	-
9	Profit/ (Loss) from ordinary activities before tax (7+8)	(730.44)	(744.97)	(834.22)	(1,475.41)	(1,567.45)	(2,893.39)
10	Tax expense	-	-	-	-	-	-
11	Net Profit/ (Loss) from ordinary activities after tax (9-10)	(730.44)	(744.97)	(834.22)	(1,475.41)	(1,567.45)	(2,893.39)
12	Extraordinary items	-	-	-	-	-	-
13	Net Profit/ (Loss) for the period (11-12)	(730.44)	(744.97)	(834.22)	(1,475.41)	(1,567.45)	(2,893.39)
14	Paid-up equity share capital (Face value of Rs.10/-each)	630.00	630.00	630.00	630.00	630.00	630.00
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year						1,437.42
16	Earning Per Share (EPS)						
	(a) Basic and Diluted EPS (before extraordinary items)	(11.59)	(11.82)	(13.24)	(23.42)	(24.88)	(45.93)
	(b) Basic and Diluted EPS (after extraordinary items)	(11.59)	(11.82)	(13.24)	(23.42)	(24.88)	(45.93)
17	Public shareholding						
	a) Number of shares	275,621,260	275,621,260	275,621,260	275,621,260	275,621,260	275,621,260
	b) Percentage of shareholding	43.75%	43.75%	43.75%	43.75%	43.75%	43.75%
18	Promoters and Promoter Group Shareholding						
	a) Pledged/ Encumbered						
	- Number of shares	0	0	0	0	0	0
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter Group)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	- Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	b) Non - encumbered						
	- Number of shares	354,378,740	354,378,740	354,378,740	354,378,740	354,378,740	354,378,740
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	56.25%	56.25%	56.25%	56.25%	56.25%	56.25%
19	The status of investor complaints received and disposed of during the 3 months period ended on 30.09.2015 is as under:						
	Pending at the beginning of the quarter	0					
	Received during the quarter	0					
	Disposed of during the quarter	0					
	Remained unresolved at the end of the quarter	0					

Notes:

1 The above financial results have been reviewed and recommended for adoption by the Audit Committee in their meeting held on 09.11.2015 and approved and taken on record by the Board of Directors of the Company at their meeting held on the same date. Figures of previous year/ period have been revised/ reclassified/ regrouped whereever necessary to conform to current year/ period presentations.

2 The financial results have been subjected to limited review by M/s V. K. Dhingra & Co., Chartered Accountants and M/s Mehra Goel & Co., Chartered Accountants.

3 Administrative, Operative & Other Expenditure includes Prior Period Expenditure (net).

For and on behalf of the Board

(N. K. Yadav)
Chairman & Managing Director

Place : New Delhi
Date : 09.11.2015

Annexure - I

MAHANAGAR TELEPHONE NIGAM LIMITED

STATEMENT OF STANDALONE UNAUDITED REVIEWED RESULTS FOR THE HALF YEAR ENDED ON 30/09/2015

(Pursuant to Clause 4 of the Debt Securities Listing Agreement)

(Rs. in Crore)

S. No.	Particulars	6 months ended 30/09/2015	Corresponding 6 months ended 30/09/2014 in the previous year	Year to date figures for Current period ended 30/09/2015	Previous accounting year ended 31/03/2015
	(Refer Notes Below)				
1	2	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
		3	4	5	6
1	**Income from Operations**				
	(a) Net Income from Operations	1,583.88	1,699.59	1,583.88	3,386.52
	(b) Other Operating Income	6.96	7.15	6.96	13.56
	Total Income from operations (Net)	1,590.84	1,706.74	1,590.84	3,400.08
2	**Expenses**				
	(a1) Employee benefits other than retirement benefits	1,186.35	1,163.26	1,186.35	2,347.93
	(a2) Employee benefits for retirement benefits	152.40	136.73	152.40	305.26
	(b) Revenue Sharing	128.55	193.29	128.55	370.02
	(c) Licence Fees and Spectrum Charges	116.33	130.92	116.33	270.61
	(d) Depreciation and Amortisation expense	550.12	579.58	550.12	1,158.59
	(e) Administrative, Operative & Other Expenses	405.10	402.98	405.10	822.44
	Total Expenses	2,538.85	2,606.76	2,538.85	5,274.84
3	**Profit/ (Loss) from Operations before other income, Finance cost and exceptional items (1-2)**	(948.01)	(900.02)	(948.01)	(1,874.76)
4	Other Income	106.48	104.90	106.48	420.98
5	**Profit/ (Loss) from ordinary activities before Finance cost & exceptional items (3+4)**	(841.53)	(795.12)	(841.53)	(1,453.77)
6	Finance Cost	633.87	772.33	633.87	1,439.62
7	Exceptional items	-	-	-	-
8	**Profit/ (Loss) from ordinary activities before tax (5-6+7)**	(1,475.41)	(1,567.45)	(1,475.41)	(2,893.39)
9	**Tax expense**	-	-	-	-
10	**Net Profit/ (Loss) from ordinary activities after tax (8-9)**	(1,475.41)	(1,567.45)	(1,475.41)	(2,893.39)
11	Extraordinary items	-	-	-	-
12	**Net Profit/ (Loss) for the period (10-11)**	(1,475.41)	(1,567.45)	(1,475.41)	(2,893.39)
13	**Paid-up equity share capital (Face value of Rs.10/-each)**	630.00	630.00	630.00	630.00
14	**Paid up Debt Capital**	0.00	0.00	0.00	0.00
15	**Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year**				1,437.42
16	**Debenture Redemption Reserve**				
17	**Earning Per Share (EPS)**	45.27	45.27	45.27	45.27
	(a) Basic and Diluted EPS (before extraordinary items)				
	(b) Basic and Diluted EPS (after extraordinary items)	(23.42)	(24.88)	(23.42)	(45.93)
18	**Debt Equity Ratio**	(23.42)	(24.88)	(23.42)	(45.93)
19	**Debt Service Coverage Ratio (DSCR)**	27.46	24.24	27.46	26.36
20	**Interest Service Coverage Ratio (ISCR)**	(1.38)	(0.98)	(1.38)	(0.45)
		(1.38)	(1.03)	(1.38)	(1.10)

Notes:

1 The above results have been approved by the Board in its meeting held on 09.11.2015.

2 Administrative, Operative & Other Expenditure includes Prior Period Expenditure/ (Income)

3 Debt Service Coverage Ratio (DSCR)= Earnings before Interest and Tax (after exceptional items)/ (Interest + Principal Repayment during the period)

4 Interest Service Coverage Ratio (ISCR)= Earnings before Interest and Tax (after exceptional items)/ Interest Expense

For and on behalf of the Board

(M. K. Yadav)
Chairman & Managing Director

Place : New Delhi
Date : 09.11.2015

MAHANAGAR TELEPHONE NIGAM LIMITED

STANDALONE UNAUDITED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND SIX.MONTHS ENDED ON 30/09/2015

(Rs. in Crore)

Sr. No.	Particulars	3 months ended 30/09/2015	Preceeding 3 months ended 30/06/2015	Corresponding 3 months ended 30/09/2014 in the previous year	Year to date figures for Current period ended 30/09/2015	Year to date figures for previous period ended 30/09/2014	Previous year ended 31/03/2015
1	2	UNAUDITED 3	UNAUDITED 4	UNAUDITED 5	UNAUDITED 6	UNAUDITED 7	AUDITED 8
1.	**Revenue from Operations**						
	Basic & other Services	630.35	640.78	669.34	1271.13	1339.82	2667.07
	Cellular	158.38	164.63	185.53	323.01	374.62	735.54
	Unallocable	0.00	0.00	0.00	0.00	0.00	11.21
	Total	**788.74**	**805.41**	**854.87**	**1594.15**	**1714.44**	**3413.82**
	Less: Inter unit Revenue- Basic	1.48	1.78	3.16	3.26	5.70	10.25
	Less: Inter unit Revenue- Cellular	0.04	0.01	0.99	0.05	2.00	3.50
	Net Revenue from Operations	**787.21**	**803.63**	**850.72**	**1590.84**	**1706.74**	**3400.08**
2.	**Segment result before interest income, exceptional items, finance cost, prior period items and tax**						
	Basic & other Services	(290.23)	(307.10)	(317.39)	(597.33)	(635.71)	(974.32)
	Cellular	(117.55)	(131.06)	(119.68)	(248.61)	(231.02)	(439.90)
	Unallocable	(18.70)	5.81	11.27	(12.89)	19.94	(82.61)
	Total	**(426.49)**	**(432.35)**	**(425.80)**	**(858.84)**	**(846.80)**	**(1496.83)**
	Add: Exceptional items	0.00	0.00	0.00	0.00	0.00	0.00
	Add: Interest Income	5.16	1.79	5.22	6.95	7.17	34.04
	Less: Finance cost	323.63	310.24	409.36	633.87	772.33	1439.62
	Less: Prior period items	(14.52)	4.17	4.29	(10.35)	(44.50)	(9.01)
	Profit/ (Loss) before tax	**(730.44)**	**(744.97)**	**(834.22)**	**(1475.41)**	**(1567.45)**	**(2893.39)**
	Less: Provision for Current Tax & Deferred tax	0.00	0.00	0.00	0.00	0.00	0.00
	Less: Taxes for earlier period(s) written back/paid	0.00	0.00	0.00	0.00	0.00	0.00
	Profit/ (Loss) after tax	**(730.44)**	**(744.97)**	**(834.22)**	**(1475.41)**	**(1567.45)**	**(2893.39)**
3.	**Capital Employed (Segment Assets - Segment Liabilities)**						
	Basic & other Services	4756.48	4893.57	4965.01	4756.48	4965.01	4873.08
	Cellular	(5285.04)	(5049.19)	5750.58	(5285.04)	5750.58	5635.67
	Unallocable	1120.52	1478.71	(7320.48)	1120.52	(7320.48)	(8441.33)
	Total	**591.96**	**1323.09**	**3395.11**	**591.96**	**3395.11**	**2067.42**

Notes:

1. The figures of previous year/period have been revised/ regrouped/ reclassified wherever necessary to conform to current year/ period presentations.

For and on behalf of the Board

Place : New Delhi
Date : 09.11.2015

(N. K. Yadav)
Chairman & Managing Director

MAHANAGAR TELEPHONE NIGAM LIMITED

STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 30/09/2015

(Pursuant to Clause 41 (I) (ea) of the Equity Listing Agreement)

(Rs. in Crore)

	Particulars	6 months ended 30/09/2015	Previous year ended 31/03/2015
		UNAUDITED	AUDITED
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' Funds**		
	(a) Share Capital	630.00	630.00
	(b) Reserves & Surplus	(38.04)	1,437.42
	Sub total Shareholders' Funds	**591.96**	**2,067.42**
2	**Non current liabilities**		
	(a) Long Term Borrowings	9,708.97	10,008.97
	(b) Other long Term Liabilities	2,886.07	2,965.43
	(c) Long Term Provisions	1,724.22	1,760.18
	Sub total Non current liabilities	**14,319.26**	**14,734.58**
3	**Current liabilities**		
	(a) Short Term Borrowings	7,587.79	6,595.43
	(b) Trade Payables	249.47	208.56
	(c) Other Current Liabilities	3,525.06	3,070.48
	(d) Short Term Provisions	176.26	173.37
	Sub total Current liabilities	**11,538.59**	**10,047.84**
	TOTAL - EQUITY AND LIABILITIES	**26,449.81**	**26,849.84**
B	**ASSETS**		
1	**Non current assets**		
	(a) Fixed Assets	10,135.18	10,566.16
	(b) Non Current Investments	161.98	161.98
	(c) Long Term Loans and Advances	8,905.86	9,158.59
	(d) Other Non Current Assets	5,137.12	4,835.00
	Sub total Non current assets	**24,340.14**	**24,721.73**
2	**Current assets**		
	(a) Current Investments	20.00	20.00
	(b) Inventories	86.48	96.13
	(c) Trade Receivables	330.21	294.52
	(d) Cash and Cash Equivalents	88.87	70.64
	(e) Short Term Loans and Advances	1,253.00	1,203.08
	(f) Other Current Assets	331.12	443.74
	Sub total Current assets	**2,109.67**	**2,128.11**
	TOTAL - ASSETS	**26,449.81**	**26,849.84**

For and on behalf of the Board

(N. K. Yadav)
Chairman & Managing Director

Place : New Delhi
Date : 09.11.2015

MEHRA GOEL & CO.
CHARTERED ACCOUNTANTS
505, Chiranjiv Tower,
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V. K. DHINGRA & CO.
CHARTERED ACCOUNTANTS
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New Delhi – 110055
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LIMITED REVIEW REPORT

To
The Board of Directors,
Mahanagar Telephone Nigam Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Mahanagar Telephone Nigam Limited for the quarter and six months period ended on September 30, 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's management and has been approved by the board of directors. Our responsibility is to issue a report on these financial statements based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. **Basis for Qualified Conclusion**

Based on the information provided to us by the management of Mahanagar Telephone Nigam Limited, we have given in the Annexure – I to this report the basis for qualified conclusions.

4. **Qualified Conclusion**

Based on our review conducted as above, except for the observations / matters mentioned in in the preceding paragraph, no other matter has come to our attention that causes us to

believe that the accompanying statement of unaudited financial results prepared in accordance with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed or that it contains any material misstatement.

For MEHRA GOEL & CO.
CHARTERED ACCOUNTANTS
FRN : 000517N

(GEETIKA MEHRA)
PARTNER
M. No. 510525
PLACE : NEW DELHI
DATE : November 09, 2015

For V. K. DHINGRA & CO.
CHARTERED ACCOUNTANTS
FRN : 000250N

(VIPUL GIROTRA)
PARTNER
M. No. 084312

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ANNEXURE I TO THE LIMITED REVIEW REPORT ON STANDALONE UNAUDITED FINANCIAL RESULTS OF MAHANAGAR TELEPHONE NIGAM LIMITED FOR THE QUARTER AND SIX MONTHS PERIOD ENDED ON SEPTEMBER 30, 2015.

(Referred to in Para 3 of our report dated November 09, 2015)

1) In respect of the qualifications/ other observations of previous audit reports and/ or limited review reports, though the Company has considered some of the qualifications/ other reservations, it has neither indicated how those qualifications/ other reservations have been resolved nor assigned any reason/ steps which the Company intends to take in respect of the qualification / other reservations remaining unresolved in compliance to Clause 41(IV) (c) of the Equity Listing Agreement.

2) The Company continues to allocate the establishment overheads towards capital works on estimated/ adhoc basis. In view of the basis being not in line with the accepted accounting practices and Accounting Standard -10 "Accounting for Fixed Assets", the same results into overstatement of capital work in progress/ fixed assets and understatement of losses. The actual impact of the same on the capitalization & losses for period has not been ascertained. Moreover, in the absence of confirmation of work completion & WIP (work in progress), authenticity and accuracy of amount outstanding and shown as WIP for extra ordinary time period cannot be examined. Accordingly consequential impact on the attached unaudited financial results cannot be ascertained.

3) a) All the receivables and payables including amount receivable / payable from / to DOT, ITI Ltd., Inter Unit Accounts, bank balances, subscriber's deposits pertaining to Delhi Unit and ITC cards etc. are subject to confirmation and/or reconciliation. The Company is not making any provision for old unreconciled outstanding balances from DOT, Govt. agencies and other operators. Any consequential impact of the same on the attached unaudited financial results is not ascertainable.

b) All the receivables and payables from / to BSNL are subject to confirmation and/or reconciliation. The Company is not making any provision for old unreconciled

outstanding balances from BSNL. Any consequential impact of the above on the attached unaudited financial results is not ascertainable.

4) On reconciliation of balance outstanding under refund due to subscribers account in Mumbai Unit with actual amount due for refund, Rs.37.13 crore was identified as excess liability appearing in the financial books. Pending decision on final treatment of this excess amount, the same has been retained as liability in the financial books resulting into overstatement of loss and overstatement of current liabilities.

5) Based on the expert opinion, the Company has not been deducting tax at source on services received from BSNL.

6) From financial year 2012-13, the licence fee payable to DOT on IUC charges to BSNL has been worked out strictly as per the terms of Licence Agreement. However shortfall of Rs. 140.36 crore on this account for the period up to financial year 2011-12 shown as contingent liability in 2014-15 has not been provided for in the quarter ended on September 30, 2015 also resulting into understatement of losses and understatement of current liabilities to that extent.

7) In respect of sundry creditors, in Mobile Services, Mumbai, liability towards one of the vendors of Rs. 106.73 crores is appearing in the financial books as against the liability of Rs. 42.01 crores to be retained as per the other available records. Pending reconciliation and review of records spread over the years from 2006-07 to 2012-13, no corrective entries have been passed in the financial books during the quarter ended on September 30, 2015. Impact of the same on the financial statements of the Company cannot be ascertained pending the said reconciliation and review.

8) The Company had invested Rs. 100 crore in 8.75 % Cumulative Preference Shares M/s ITI Ltd in 2001-02. As per the revised repayment schedule, the said investment was to be redeemed in five equal installments starting from 2012-13. On default by M/s ITI Ltd. to meet its rescheduled obligations also, a provision was made by MTNL for first three installments of Rs. 20 crore each in 2012-13, 2013-14 and 2014-15 instead of provision for full investment. No provision has been made on this account for the balance amount of Rs. 40 crores in the quarter ended on September 30, 2015 also resulting into understatement of losses and overstatement of non current investments / current investments to that extent.

9) Except for impairment of assets of CDMA Delhi Unit due to closure of CDMA operations, no impairment tests have been carried out on value of the fixed assets as at September 30, 2015. Due to recurring losses incurred by the Company and uncertainty in the achievement of projections made by the Company, we are unable to comment on the provisions, if any, required in respect of impairment of carrying value of the fixed assets and its consequential impact on the loss for the quarter ended on September 30, 2015.

10) Dues from the operators are not taken into account for making provision for doubtful debts. Also no provision for doubtful debts is made for disputed cases outstanding for less than one year in Basic and for less than 180 days in GSM/CDMA. In the absence of any working, the impact thereof on the financial statements cannot be ascertained and quantified for the quarter ended on September 30, 2015.

11) During the financial year 2012-13 Department of Telecommunication (DOT) had raised a demand of Rs. 3313.15 crore on account of one time charges for 2G spectrum held by the company for GSM and CDMA for the period of licence already elapsed and also for the remaining valid period of licence including spectrum given on trial basis. After correction in the demand for CDMA, the same was subsequently revised to Rs. 3205.71crore.

As explained, pending finality of the issue by the company regarding surrender of a part of the spectrum, crystallization of issue by the DOT in view of the claim being contested by the Company and because of the matter being sub judice in the Apex Court on account of dispute by other private operators on the similar demands, the amount payable, if any, is indeterminate. Accordingly, no liability was created for the demand made by DOT on this account and Rs. 3205.71crore had been disclosed as contingent liability.

In view of the above, we are not in a position to comment on the correctness of the stand taken by the company and the ultimate implications of the same on the attached unaudited financial results of the company for the quarter ended on September 30, 2015 also.

12) Other current assets include claim of Income tax refund for F.Y. 1999-2000 of Rs. 101.54 crore arising from pending appeal effect / rectification under Section 154 of Income Tax Act, 1961 by income tax department. This includes tax amount of Rs. 60.30 crore and interest accrued thereon amounting to Rs. 41.24 crore. In the absence of complete

records, we are not in a position to comment on the correctness and recoverability of the same and consequential impact on the attached unaudited financial results of the company for the quarter ended on September 30, 2015.

13) The balances appearing in the advance tax/income tax receivable / tax deducted at source / interest on income tax and provisions for taxes are subject to reconciliation with the tax records. Pending reconciliations we are not in a position to comment on the correctness of the same and consequential impact of the same on the attached unaudited financial results of the company for the quarter ended on September 30, 2015.

14) All the above issues were subject matter of qualification in the Limited Review Report for the quarter ended 30th June, 2015.

15) The overall impact of matters referred to in above paras (except for para 4, 6 and 8 above) on the attached unaudited financial results of the company is not determinable.

For MEHRA GOEL & CO.
CHARTERED ACCOUNTANTS
FRN : 000517N

(GEETIKA MEHRA)
PARTNER
M. No. 510525

For V. K. DHINGRA & CO.
CHARTERED ACCOUNTANTS
FRN : 000250N

(VIPUL GIROTRA)
PARTNER
M. No. 084312

PLACE : NEW DELHI
DATE : NOVEMBER 09, 2015

MEHRA GOEL & CO. NEW DELHI CHARTERED ACCOUNTANTS

V.K. DHINGRA & CO. NEW DELHI