



MAHANAGAR TELEPHONE NIGAM LIMITED
(A GOVERNMENT OF INDIA ENTERPRISE)
CIN L32101DL1986GOI023501

MTNL/SECTT/SE/2021
November 12, 2021

TO,

The Listing Department,
Bombay Stock Exchange (BSE)
National Stock Exchange (NSE)
OTCIQ

Ref: BSE Scrip Code: 500108/ NSE Symbol: MTNL/ OTCIQ Symbol: MTENY

Sub: Compliance of Regulation 33 of the SEBI (LODR) Regulations, 2015: Submission of Un-audited Reviewed Financial Results along with Limited Review Report for the Quarter ended/Half Yearly 30th September, 2021.

Dear Sir,

Further to our letter of even no.dtd. **November 01, 2021**, we are forwarding herewith the Unaudited Reviewed Financial Results prepared as per Ind AS along with the Limited Review Report submitted by the Statutory Auditors of the Company for the Quarter /Half Yearly ended 30th June, 2021 duly approved by the Board of Directors in its Meeting held in New Delhi today i.e. **12th November, 2021**.

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

The results are also being published in newspapers as per the requirement of Regulation 47 of SEBI (LODR) Regulations, 2015.

Thanking you,
Yours faithfully,

(S.R. SAYAL)
COMPANY SECRETARY

Encl: A/a

①

MAHANAGAR TELEPHONE NIGAM LIMITED

(A Govt. of India Enterprise)

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

Website: www.mtnl.net.in, Phone Off: 011-24319020, Fax: 011-24324243

CIN No: L32101DL1986GOI023501

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED ON 30/09/2021

(Rs. in Crore)

Sl. No.	Particulars	STANDALONE					
		Three Month Ended			Six Month Ended		Year Ended
		3 months ended 30/09/2021	Preceeding 3 months ended 30/06/2021	Corresponding 3 months ended 30/09/2020 in the previous year	Year to date figures for Current period ended 30/09/2021	Year to date figures for previous period ended 30/09/2020	Previous year ended 31/03/2021
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	
I	Revenue from operations	287.89	283.81	321.26	571.70	673.33	1,303.64
II	Other Income	119.55	114.92	115.16	234.47	218.33	484.77
III	Total Income (I +II)	407.44	398.73	436.43	806.17	891.66	1,788.41
IV	Expenses						
	Changes in Inventories	0.04	0.07	-	0.11	-	0.21
	License Fees & Spectrum Charges	29.07	31.47	31.85	60.54	64.57	118.32
	Employees' Remuneration and benefits	119.37	151.03	120.61	270.40	276.69	413.03
	Finance cost	532.99	516.06	509.74	1,049.04	1,035.51	2,107.07
	Revenue Sharing	32.00	31.68	15.97	63.67	37.10	92.67
	Depreciation and amortization expense	187.54	198.68	227.51	386.22	460.30	879.65
	Administrative Expenses	159.64	157.88	114.14	317.52	237.31	639.26
	Total Expenses (IV)	1,060.65	1,086.86	1,019.82	2,147.50	2,111.47	4,250.19
V	Profits/(Loss) before exceptional items and tax(III-IV)	(653.21)	(688.13)	(583.40)	(1,341.33)	(1,219.81)	(2,461.79)
VI	Exceptional items						
VII	Profit/ (Loss) before tax (V- VI)	(653.21)	(688.13)	(583.40)	(1,341.33)	(1,219.81)	(2,461.79)
VIII	Tax expense						
	(1) Current tax	-	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-	-
IX	Profit/ (Loss) for the period from continuing operations (VII - VIII)	(653.21)	(688.13)	(583.40)	(1,341.33)	(1,219.81)	(2,461.79)
X	Profit/ (Loss) from discontinued operations						
XI	Tax expense of discontinued operations						
XII	Profit/ (Loss) from Discontinued Operations (after tax) (X-XI)						
XIII	Profit/ (Loss) for the period (IX + XII)	(653.21)	(688.13)	(583.40)	(1,341.33)	(1,219.81)	(2,461.79)
XIV	Other Comprehensive Income						
A	i) Items that will not be reclassified to profit and loss	(5.75)	-	-	(5.75)	-	7.55
	ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
B	i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Other Comprehensive Income for the year	(5.75)	-	-	(5.75)	-	7.55
XV	Total Comprehensive Income for the period (XIII+XIV)	(658.96)	(688.13)	(583.40)	(1,347.08)	(1,219.81)	(2,454.24)
XVI	Paid up Equity Share Capital						630.00
XVII	Other Equity excluding revaluation reserves						(16,669.88)
XVIII	Earnings per equity Share (of Rs.10 each) for continuing operations:(not annualised)						
	(1) Basic	(10.37)	(10.92)	(9.26)	(21.29)	(19.36)	(39.08)
	(2) Diluted	(10.37)	(10.92)	(9.26)	(21.29)	(19.36)	(39.08)
XIX	Earnings per equity Share of Rs.10 each(for discontinued operations):(not annualised)						
	(1) Basic	-	-	-	-	-	-
	(2) Diluted	-	-	-	-	-	-
XX	Earnings per equity Share of Rs.10 each (for discontinued & continuing operations):(not annualised)						
	(1) Basic	(10.37)	(10.92)	(9.26)	(21.29)	(19.36)	(39.08)
	(2) Diluted	(10.37)	(10.92)	(9.26)	(21.29)	(19.36)	(39.08)

See accompanying notes to the financial results.

May kindly see for approval for publication in the Newspapers and for sending to the SEBI.



2

Notes to Standalone Financial Results:

- 1 The financial results have been prepared in accordance with the Indian Accounting Standards (Ind- AS) as prescribed under Section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.
- 2 The above results have been reviewed and adopted by the Board of Directors of the Company in their meeting held on 12.11.2021
- 3 Additional Disclosures as per Regulation 52 (4) of SEBI (LODR) Regulations 2015

S.No.	Particulars	Three Month Ended			Six Month Ended		Year Ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		Unaudited				Audited	
a	Debt Service Coverage Ratio (in times) [EBITDA / (Finance Cost + Lease Liabilities Payments+ Principal Repayment of Long Term Debt)]	0.09	0.03	0.27	0.06	0.25	0.17
b	Interest Service Coverage Ratio (in times) [EBITDA / Finance Cost]	0.13	0.05	0.30	0.09	0.27	0.25
c	Outstanding Redeemable Preference shares (quantity and value) (in Rs Crs)	-	-	-	-	-	-
d	Capital Redemption Reserve (in Rs Crs)	-	-	-	-	-	-
e	Debenture Redemption Reserve (in Rs Crs)	45.27	45.27	45.27	45.27	45.27	45.27
f	Net Worth (in Rs Crs) (As per Section 2 (57) of Companies Act 2013)	(17,386.97)	(16,728.02)	(14,805.56)	(17,386.97)	(14,805.56)	(16,039.88)
g	Net Profit After Tax (In Rs Crs)	(653.21)	(688.13)	(583.40)	(1,341.33)	(1,219.81)	(2,461.79)
h	Earnings Per Share (in Rs) [Not Annualised]	(10.37)	(10.92)	(9.26)	(21.29)	(19.36)	(39.08)
i	Current Ratio (in times) [Current Assets /Current Liabilities]	0.45	0.52	0.40	0.45	0.40	0.58
j	Debt-Equity Ratio (in times) [(Long Term Borrowings Including Current Maturities + Short Term Borrowings) /Total Equity]	(1.50)	(1.53)	(1.60)	(1.50)	(1.60)	(1.58)
k	Long Term Debt to Working Capital (in times) Long Term Debt excluding lease liability + Current Maturities of Long Term Debt Working Capital excluding current maturities of Long Term Borrowings	(4.07)	(5.22)	(1.78)	(4.07)	(1.78)	(6.81)
l	Bad Debts to Account Receivable Ratio (in times) [Bad Debts/Average Trade Receivables]	0.00	0.00	0.00	0.00	0.00	0.00
m	Current Liability Ratio (in times) [Current Liabilities/ Total Liabilities]	0.42	0.39	0.53	0.42	0.53	0.36
n	Total Debts to Total Assets (in times) [(Long Term Borrowings + Short Term Borrowings + Lease Liabilities) / Total Assets]	2.05	2.01	1.73	2.05	1.73	1.92
o	Debtors Turnover Ratio - Annualised (in times) [Revenue from Operations / Average Trade Receivables]	1.37	1.33	1.48	1.36	1.55	1.71
p	* Paid up Debt Capital (Outstanding Debt) (in Rs. Crs)	9,480.00	9,480.00	2,980.00	9,480.00	2,980.00	9,480.00
q	Operating Margin (%) [(EBIT - Other Income)/ Revenue from Operations]	-83.29%	-101.12%	-58.77%	-92.14%	-59.80%	-64.40%
r	Net profit Margin (%) [Profit after Tax / Revenue from Operations]	-226.90%	-242.46%	-181.59%	-234.62%	-181.16%	-188.84%

- 4 Paidup debt Capital excludes NCDs issued to the tune of Rs. 4533.97 Cr for which the liability to pay interest and principal is on Govt.
- 5 The figures for the previous periods have been regrouped wherever necessary to conform to the current period presentation.

For and on behalf of the Board



(P.K.Purwar)

Chairman & Managing Director
DIN: 06619060

Place : New Delhi
Date : 12.11.2021



③

MAHANAGAR TELEPHONE NIGAM LIMITED

Regd. Office : Mahanagar Doorsanchar Sadan, 5th Floor, 9, CGO Complex, Lodhi Road, New Delhi-110003
 Website: www.mtnl.net.in, Phone Off: 011-24319020, Fax: 011-24324243

CIN No: L32101DL1986GOI023501

STANDALONE UNAUDITED SEGMENT WISE REVENUE, RESULTS AND ASSETS & LIABILITIES FOR THE QUARTER AND SIX MONTH ENDED ON 30/09/2021

(Rs. in Crore)

		STANDALONE					
Sl. No.	Particulars	Three Month Ended			Six Month Ended		Year Ended
		3 months ended 30/09/2021	Preceeding 3 months ended 30/06/2021	Corresponding 3 months ended 30/09/2020 in the previous year	Year to date figures for Current period ended 30/09/2021	Year to date figures for previous period ended 30/09/2020	Previous year ended 31/03/2021
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1.	Revenue from Operations						
	Basic & other Services	250.77	251.26	297.40	502.03	618.80	1,180.79
	Cellular	37.46	32.90	24.28	70.36	55.39	124.51
	Unallocable	-	-	-	-	-	-
	Total	288.23	284.16	321.68	572.39	674.19	1,305.30
	Less: Inter Segment Revenue	0.34	0.35	0.42	0.69	0.86	1.66
	Net Revenue from Operations	287.89	283.81	321.26	571.70	673.33	1,303.64
2.	Segment Result before interest income, exceptional items, finance cost and tax						
	Basic & other Services	(18.64)	(64.32)	34.45	(82.96)	50.49	98.80
	Cellular	(113.69)	(97.16)	(112.03)	(210.85)	(231.57)	(483.93)
	Unallocable	8.41	(12.86)	(9.48)	(4.45)	(20.93)	(20.41)
	Total	(123.92)	(174.35)	(87.06)	(298.27)	(202.01)	(405.54)
	Add: Exceptional items	-	-	-	-	-	-
	Add: Interest income	3.70	2.28	13.40	5.98	17.71	50.82
	Less: Finance cost	532.99	516.06	509.74	1,049.04	1,035.51	2,107.07
	Profit/ (Loss) before tax	(653.21)	(688.13)	(583.40)	(1341.33)	(1219.81)	(2461.79)
	Less: Provision for Current Tax & Deferred tax	-	-	-	-	-	-
	Profit/ (Loss) after tax	(653.21)	(688.13)	(583.40)	(1,341.33)	(1,219.81)	(2,461.79)
3.	Capital Employed						
	(Segment Assets - Segment Liabilities)						
	Segment Asset						
	Basic & other Services	7,037.19	7,122.14	7,301.19	7,037.19	7,301.19	7,124.08
	Cellular	4,188.20	4,275.11	4,602.10	4,188.20	4,602.10	4,365.73
	Unallocable/Eliminations	1,546.22	1,476.11	1,977.34	1,546.22	1,977.34	1,860.91
	Total Segment Assets	12,771.61	12,873.37	13,880.62	12,771.61	13,880.62	13,350.73
	Segment Liabilities						
	Basic & other Services	2,676.82	2,695.61	3,578.91	2,676.82	3,578.91	2,585.83
	Cellular	25,070.78	24,567.06	23,420.34	25,070.78	23,420.34	24,081.77
	Unallocable/Eliminations	2,410.98	2,338.72	1,686.93	2,410.98	1,686.93	2,723.02
	Total Segment Liabilities	30,158.58	29,601.39	28,686.18	30,158.58	28,686.18	29,390.61
	Segment Capital Employed						
	Basic & other Services	4,360.37	4,426.54	3,722.28	4,360.37	3,722.28	4,538.26
	Cellular	(20,882.58)	(20,291.95)	(18,818.25)	(20,882.58)	(18,818.25)	(19,716.04)
	Unallocable/Elminations	(864.76)	(862.61)	290.40	(864.76)	290.40	(862.10)
	Capital Employed	(17,386.97)	(16,728.02)	(14,805.56)	(17,386.97)	(14,805.56)	(16,039.88)

For and on behalf of the Board


 (P.K. Purwar)

Chairman & Managing Director

DIN: 06619060

Place : New Delhi
 Date : 12.11.2021



4

MAHANAGAR TELEPHONE NIGAM LIMITED

Annexure III

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

Website: www.mtnl.net.in, Phone Off: 011-24319020, Fax: 011-24324243

CIN No: L32101DL1986GOI023501

STANDALONE UNAUDITED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Crore)

Particulars	STANDALONE	
	As at 30.09.2021	As at 31.03.2021
	UNAUDITED	AUDITED
ASSETS		
(1) Non-current assets		
(a) Property, Plant and Equipment	3,092.74	3,252.16
(b) Capital work-in-progress	153.75	184.25
(c) Right-of-Use Asset	426.57	446.52
(d) Investment Property	36.23	36.59
(e) Intangible assets	2,264.66	2,431.86
(f) Financial Assets		
(i) Investments	106.13	106.13
(ii) Loans	127.42	4.22
(iii) Others	193.43	204.08
(g) Non Current Tax Asset	526.57	515.54
(h) Other Non-Current Assets	46.44	29.36
Total non-current assets	6,973.93	7,210.71
(2) Current assets		
(a) Inventories	3.79	8.75
(b) Financial Assets		
(i) Trade Receivables	837.92	764.59
(ii) Cash and cash equivalents	82.90	103.76
(iii) Bank Balances other than (ii) above	0.00	155.54
(iv) Loans	3,605.97	3,636.54
(v) Other Financial Assets	827.35	723.50
(c) Other current assets	403.84	711.44
Total Current assets	5,761.76	6,104.12
(3) Asset held for sale	35.92	35.92
Total Assets(1+2+3)	12,771.61	13,350.75
EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share Capital	630.00	630.00
(b) Other Equity	(18,016.97)	(16,669.88)
Total Equity	(17,386.97)	(16,039.88)
LIABILITIES		
(i) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	16,840.14	18,172.18
(ii) Lease Liabilities	162.46	179.46
(iii) Other Financial Liabilities	106.45	208.90
(b) Long Term Provisions	255.52	238.59
(c) Other Non Current liabilities	84.59	96.93
Total Non-Current Liabilities	17,449.16	18,896.06
(ii) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	9,159.44	7,176.37
(ii) Lease Liabilities	67.72	71.08
(iii) Trade Payables		
(A) total outstanding dues of micro enterprises and small enterprises	57.90	42.51
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	677.53	646.83
(iv) Other Financial Liabilities	1,884.85	1,746.57
(b) Other current liabilities	688.40	640.46
(c) Short Term Provisions	173.57	170.75
Total Current Liabilities	12,709.41	10,494.57
Total Liabilities (i) + (ii)	30,158.58	29,390.63
Total Equity and Liabilities (1 + 2)	12,771.61	13,350.75

Place : New Delhi
Date : 12.11.2021



For and on behalf of the Board

P. K. Patwar
(P. K. Patwar)

Chairman & Managing Director
DIN: 06619060

5

MAHANAGAR TELEPHONE NIGAM LIMITED

Standalone Unaudited Cash Flow Statement for the half year ended 30th September, 2021

	(Rs. in crores)	
	Half Year ended	
	30th Sept. 2021	30th Sept. 2020
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax		
Continuing operations	(1341.33)	(1219.81)
Discontinued operations	-	-
	(1341.33)	(1219.81)
Adjustments for:		
Depreciation expense	219.02	292.70
Amortisation expense	167.20	167.60
Loss/ Gain on disposal of property, plant and equipment (Net)	0.02	0.08
Dividend Income	(0.48)	0.00
Interest income	(5.98)	(17.71)
Excess provisions written back	(37.01)	(2.45)
Provision for doubtful debts including discount	54.45	22.39
Provision for obsolete inventory	16.99	2.60
Provision for doubtful claims	1.10	0.10
Loss of assets	3.36	1.47
Provision For Abandoned Work- CWIP	-	-
Remeasurement gains and loss on employee benefit obligations	(5.75)	0.00
Finance costs	1049.04	1035.51
Bad debts recovered	(0.00)	(0.01)
Bad debts written off	0.38	0.01
Operating profit before working capital changes	121.01	282.48
Movement in working capital		
(Increase)/ Decrease in loans	(88.95)	(48.56)
(Increase)/ Decrease in inventories	(15.39)	2.20
(Increase)/ Decrease in other financial assets	(103.84)	2495.24
(Increase)/ Decrease in other assets	290.51	(12.81)
(Increase)/ Decrease in trade and other receivables	(128.15)	(269.71)
Increase/ (Decrease) in other financial liabilities	19.16	(2561.34)
Increase/ (Decrease) in other liabilities	35.61	83.66
Increase/ (Decrease) in provisions, trade and other payables	102.41	47.01
Cash flow from operating activities post working capital changes	232.37	18.18
Income tax (paid)/refunds (net)	(11.03)	71.81
Net cash flow from operating activities (A)	221.33	89.99
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment, Investment property and Intangible assets (including capital work-in-progress) (net of sale proceeds)	0.41	(14.96)
Movement in fixed deposits (net)	166.19	0.84
Dividend received	0.48	0.00
Interest received	1.19	8.87
Net cash flows used in investing activities (B)	168.27	(5.25)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds and repayment from long-term borrowings (net)	(584.46)	269.45
Proceeds and repayment of short-term borrowings (net)	1233.07	430.76
Finance cost paid	(1018.35)	(798.14)
Payment towards Lease Liability	(40.71)	(62.91)
Net cash used in financing activities (C)	(410.46)	(160.84)
Increase in cash and cash equivalents (A+B+C)	(20.86)	(76.10)
Cash and cash equivalents at the beginning of the year	103.76	142.68
Cash and cash equivalents at the end of the year	82.90	66.58



VINOD KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
4696, Brij Bhawan,
21A, Ansari Road, Darya Ganj
New Delhi – 110002

SPMG & Co.
CHARTERED ACCOUNTANTS
3322-A, 2nd Floor,
Bank Street, Karol Bagh,
New Delhi – 110005

Independent Auditor's Review Report on Standalone Unaudited Financial Results for Quarter and Half year ended September 30th, 2021 of Mahanagar Telephone Nigam Limited Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

To
The Board of Directors
Mahanagar Telephone Nigam Limited
Mahanagar Doorsanchar Sadan,
5th Floor, 9, CGO Complex,
Lodhi Road, New Delhi - 110 003

1. We have reviewed the accompanying statement of unaudited standalone financial results ("The Statement") of MAHANAGAR TELEPHONE NIGAM LIMITED ("The Company") for the Quarter and Half year ended September 30th, 2021, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This statement is the responsibility of the Company's Management, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard-34 "Interim Financial Reporting" ("Ind-AS 34"), specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

2. We conducted our review of the Statement 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 results 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.



7

4. Qualified Conclusion

Based on our review conducted as stated above, except for the observations / matters mentioned in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results read with notes thereon, prepared in accordance with the applicable Indian Accounting Standards (Ind-AS) and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of Matter

- i. With reference to pending dispute with the Income Tax Department before the Hon'ble Courts regarding deduction claimed by the Company u/s 80 IA of the Income Tax Act, 1961 we are unable to comment on the adequacy or otherwise of the provision and / or contingency reserve held by the Company.
- ii. Impact of accounting of claims and counter claims of MTNL with M/s M&N Publications Ltd., in a dispute over printing, publishing and supply of telephone directories for MTNL, will be given in the year when the ultimate collection / payment of the same becomes reasonably certain.
- iii. Amount receivable from BSNL & Other Operators have been reflected as loans and other financial assets instead of bifurcating the same into trade receivables and other financial assets.
- iv. The Amounts recoverable from Department of Telecommunication (DOT) in respect of settlement of General Provident Fund (GPF) of Combined Service Optees absorbed employees in MTNL and the matter has been under review with DOT and the full amount of GPF including interest thereon, claimed of the Company in respect of which correspondence in going on between the Company and DOT are continued to be shown as recoverable from DOT and payable to GPF.
- v. The payables towards license fees and spectrum usage charges have been adjusted with excess pension payouts to Combined Pensioners Optees recoverable from DOT in respect of which matter is under consideration and correspondence in going on between the Company and DOT.
- vi. The License agreement between Company and DOT does not have any guidance on change in method of calculation of Adjusted Gross Revenue (AGR) due to migration to Ind-AS from I-GAAP. Provisioning and payment of liability in respect of license fees and spectrum usage charges payable to DOT has been done on the basis of Ind-AS based financial statements. The amount of difference in computation of Adjusted Gross Revenue (AGR) is under consideration of DOT.
- vii. In certain cases of freehold and leasehold land the company is having title deeds which are in the name of the Company but the value of which are not lying in books of accounts of the Company.

Income arising on account of Revenue Sharing with BSNL in respect of lease circuits provided has not been recognized in terms of Memorandum of Understanding (MOU) between BSNL and MTNL. As per MOU, revenue and expenditure will be based on

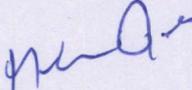


the price offered to the customers after applying the discount, if any at the time of acquiring the business. However, Revenue has been recognized on the basis of available information which is either based on the Company Card Rates or Old rates of BSNL. In Some Cases, BSNL has given the information in respect of updated rated but the same has not been considered at the time of booking of revenue sharing with BSNL. In the absence of relevant updated records, we are not in a position to comment on the impact thereof on the standalone financial results.

- ix. Dues from the Operators being on account of revenue sharing agreements are not treated as debtors and consequently are not taken into account for making provision for doubtful debts.
- x. In pursuance DoT letter No. F.No. 30-04/2019-PSU Affairs dt. 29 October, 2019 and decision of Board of Directors of MTNL through circular regulation on 4th November, 2019, the MTNL Voluntary Retirement Scheme has been introduced with effect from 4th November 2019 under which 14,387 number of MTNL employees opted for VRS and the expenditure of ex-gratia on account of compensation to be borne by the DOT/Government of India through budgetary supports as per approval of cabinet. As such no provision of VRS compensation is considered in the books of company. Balance amount payable to VRS opted employees as on September 30th, 2021 is shown as receivable from DOT and payable to VRS retirees, to reflect the actual position with reference to VRS scheme of 2019 of MTNL.
- xi. Out of the total revenue from operations for the quarter and half year ended September 30th, 2021 of Rs. 287.89 Crores and Rs. 571.70 Crores respectively, Revenue of Rs. 2.10 Crores and Rs. 3.82 Crores has been computed and accounted for Interconnect billing for the quarter and half year ended September 30th, 2021 respectively, on the basis of assumption of Incoming traffic (in minutes) of June 2021.

Our conclusion is not modified in respect of aforesaid matters.

For Vinod Kumar & Associates
Chartered Accountants
Firm Registration No.: 002304N



CA Mukesh Dadhich
Partner
Membership No.: 511741
UDIN: 21511741AAAAMT6540

For SPMG & Co.
Chartered Accountants
Firm Registration No.: 509249C



CA Vinod Gupta
Partner
Membership No.: 090687
UDIN: 21090687AAAAYH2184

Place: New Delhi
Date: November 12th, 2021

9

VINOD KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
4696, Brij Bhawan,
21A, Ansari Road, Darya Ganj
New Delhi – 110002

SPMG & Co.
CHARTERED ACCOUNTANTS
3322-A, 2nd Floor,
Bank Street, Karol Bagh,
New Delhi – 110005

**Annexure – I to the Independent Auditors' Review Report
(Referred to in Para 3 of our report of even date)**

- i. The Net Worth of the Company has been fully eroded; The Company has incurred net cash loss during the quarter and half year ended September 30th 2021 as well as in the previous year and the current liabilities exceeded the current assets substantially.

Furthermore, Department of Public Enterprises vide its Office Memorandum No. DPE/5(1)/2014-Fin. (Part-IX-A) has classified the status of the Company as "Incipient Sick CPSE". Department of Telecommunication (DOT) has also confirmed the status vide its issue no. I/3000697/ 2017 through file no. 19-17/2017 – SU-II.

However, the standalone financial results of the Company have been prepared on a going concern basis keeping in view the majority stake of the Government of India.

Further, Union Cabinet has also approved the "Revival plan of BSNL and MTNL" by reducing employee costs, administrative allotment of spectrum for 4G services, debt restructuring by raising of sovereign guarantee bonds, monetization of assets and in principle approval for merger of BSNL and MTNL. Further, the Company has implemented the Voluntary Retirement Scheme in FY 2019-20 resulted into reduction in Employees Cost and also raised funds by issuing Bonds for ₹ 6,500 crore in FY 2020-21 in line with cabinet note.

ii. **Bharat Sanchar Nigam Limited (BSNL):**

- a) The Company has certain balances receivables from and payables to Bharat Sanchar Nigam Limited (BSNL). The net amount recoverable of Rs. 3652.33 Crores is subject to reconciliation and confirmation. In view of non-reconciliation and non-confirmation and also in view of various pending disputes regarding claims and counter claims, we are not in a position to ascertain and comment on the correctness of the outstanding balances and resultant impact of the same on the standalone financial results of the Company.

- b) The Company has not provided a provision for doubtful claims in respect of lapsed CENVAT Credit due to non-payment of service tax to service providers within the period of 180 days and due to transition provision under Goods and Service Tax (GST) where the aforesaid CENVAT credit amounting to Rs. 144.66 Crores has not been carried forward resulting in understatement of loss to that extent.

- iii. The Company has certain balances receivables from and payables to Department of Telecommunication (DOT). The net amount recoverable of Rs. 258.40 Crores, Out of which Rs. 258.25 Crores is subject to reconciliation and confirmation. In view of non-reconciliation and non-confirmation, we are not in a position to ascertain and comment on the correctness of the outstanding balances and resultant impact of the same on the standalone financial results of the Company

- iv. Up to financial year 2011-12 License Fee payable to the DOT on IUC charges to BSNL was worked out on accrual basis as against the terms of License agreements requiring deduction for expenditure from the gross revenue to be allowed on actual payment basis. From financial year 2012-13, the license fee payable to the DOT has been worked out strictly in terms of the license agreements. The Company continues to reflect the difference in license fee arising from working out the same on accrual basis as aforesaid for the period up to financial year 2011-12 by way of contingent liability of Rs. 140.36



10

Crores instead of actual liability resulting in understatement of current liabilities and understatement of loss to that extent.

- v. The Company had allocated the overheads towards capital works in a manner which is not in line with the accepted accounting practices and Indian Accounting Standard – 16 “Property, Plant and Equipment” prescribed under Section 133 of the Act, the same results into overstatement of capital work in progress/ property, plant and equipment and understatement of loss. The actual impact of the same on the standalone financial results for quarter and half year ended September 30th 2021 is not ascertained and quantified.
- vi. Except for the impairment loss of assets of CDMA units provided in earlier years, no adjustment has been considered on account of impairment loss, if any, during the quarter and half year ended September 30th 2021, with reference to Indian Accounting Standard – 36 “Impairment of Assets” prescribed under Section 133 of the Act. In view of uncertainty in achievement of future projections made by the Company, we are unable to ascertain and comment on the provision required in respect of impairment in carrying value of cash generating units and its consequent impact on the loss for the quarter and half year ended September 30th 2021, accumulated balance of other equity and also the carrying value of the cash generating units.
- vii. The Company does not follow a system of obtaining confirmations and performing reconciliation of balances in respect of amount receivables from trade receivables, deposits with Government Departments and others, claim recoverable from operators and others parties and amount payables to trade payables, claim payable to operators, and amount payable to other parties. Accordingly, amount receivables from and payables to the various parties are subject to confirmation and reconciliation. Pending such confirmation and reconciliations, the impact thereof on the standalone financial results are not ascertainable and quantifiable.
- viii. Unlinked credit of Rs. 77.68 Crores on account of receipts from subscribers against billing by the Company which could not be matched with corresponding receivables is appearing as liabilities in the balance sheet. To that extent, trade receivables and current liabilities are overstated. Pending reconciliations, the impact thereof on the standalone financial results are not ascertainable and quantifiable.
- ix. Property, Plant and Equipment are generally capitalized on the basis of completion certificates issued by the engineering department or bills received by finance department in respect of bought out capital items or inventory issued from the Stores. Due to delays in issuance of the completion certificates or receipt of the bills or receipt of inventory issue slips, there are cases where capitalization of the Property, Plant and Equipment gets deferred to next year. The resultant impact of the same on the standalone financial results by way of depreciation and amount of Property, Plant and Equipment capitalized in the balance sheet cannot be ascertained and quantified.
- x. Certain Land and Buildings transferred to MTNL from DOT in earlier years have been reflected as leasehold. In the absence of relevant records, we are not in a position to comment on the classification, capitalization and amortization of the same as leasehold and also the consequential impacts, if any, of such classification, capitalization and amortization not backed by relevant records. In the absence of relevant records, impact of such classification on the standalone financial results cannot be ascertained and quantified.
- xi. Department of Telecommunication (DOT) had raised a demand of Rs. 3313.15 Crores in 2012-13 on account of one time charges for 2G spectrum held by the Company for GSM and CDMA for the period of license already elapsed and also for the remaining valid period of license including spectrum given on trial basis.



As explained the demand for spectrum usage for CDMA for Rs 107.44 Crores has been withdrawn by DOT on account of rectification of actual usage.

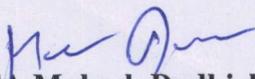
Also as explained, pending finality of the issue by the Company regarding surrender of a part of the spectrum, crystallization of issue by the DOT in view of the claim being contested by private operators and because of the matter being sub-judice in the Apex Court on account of dispute by other private operators on the similar demands, the amount payable, if any, is indeterminate. Accordingly, no liability has been created for the demand made by DOT on this account and Rs. 3205.71 Crores has been disclosed as contingent liability till FY 2018-19 although no further demand is there from DOT till date. However as explained further, the TDSAT while setting aside the levy of OTSC on spectrum allotted beyond 6.2 Mhz , directed Govt. to review the demand for spectrum allotted after 1-7-2008 and that too wef 1-1-2013 in case the spectrum beyond 6.2 Mhz was allotted before 1-1-2013. As explained , as per the TDSAT orders also no further demand is raised till now and as per management based on TDSAT direction the demand ,if any, cannot be more than Rs 455.15 crores the same is considered 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 standalone financial results of the Company.

- xii. The Company has deducted/collected Liquidated Damages and withheld Charges from vendors on account of non-fulfilment of contracted conditions, on which liability for Goods and Services Tax (GST) has not been considered. The actual impact of the same on the standalone financial results for quarter and half year ended September 30th 2021 is not ascertained and quantified.
- xiii. The company has recovered Electricity Charges from the tenants, on which liability for Goods and Services Tax (GST) has not been considered, as the expenses recovered without installing sub meter. The actual impact of the same on the standalone financial results for the quarter and half year ended September 30th 2021 has not been ascertained and quantified
- xiv. The company has not reversed the provision for expense (Accrued Liability) on regular intervals, thereby the provision for expenses account has been accumulated significantly. Accordingly, the provision for expenses remain unadjusted. Further TDS on provision for Expenses has not been deducted under chapter XVII- B of Income Tax Act, 1961. The actual impact of the same on the standalone financial results for the quarter and half year ended September 30th 2021 has not been ascertained and quantified
- xv. The Company is making the provision for interest for late/non-payment to MSME vendors which is subject to deduction of tax under section 194A of Income Tax Act, 1961. The actual impact of the same on the standalone financial results for quarter and half year ended September 30th 2021 is not ascertained and quantified.
- xvi. The income arising on account of rental in respect of property occupied by the BSNL amounting to Rs. 6.39 Crores and Rs. 12.78 Crores accrued during the quarter and half year ended September 30th 2021 respectively has not been recognised in the Standalone financial results. Accordingly, the Goods and Services Tax (GST) has also not been considered. The accumulated impact on the standalone financial results of such income for the quarter and half year ended September 30th 2021 and preceding years is not ascertained and quantified.

The above basis for qualified conclusion referred to in Para no. (i) to (xvi) were subject matter of qualification in the Auditor's Report for the year ended on March 31st, 2021 and in the Limited review report for the quarter ended June 30th 2021.

In the absence of information, the effect of which can't be quantified, we are unable to comment on the possible impact of the items stated in the point nos. (i), (ii)(a), (ii)(b), (iii), (v), (vi), (vii),(viii), (ix), (x), (xi), (xii), (xiii), (xiv), (xv) and (xvi) on the standalone financial result of the Company for the quarter and half year ended September 30th 2021.

For Vinod Kumar & Associates
Chartered Accountants
Firm Registration No.: 002304N


CA Mukesh Dadhich
Partner

Membership No.: 511741
UDIN: 21511741AAAAMT6540



For SPMG & Co.
Chartered Accountants
Firm Registration No.: 509249C


CA Vinod Gupta
Partner

Membership No.: 090687
UDIN: 21090687AAAAHY2184



Place: New Delhi

Date: November 12th, 2021

13

MAHANAGAR TELEPHONE NIGAM LIMITED

(A Govt. of India Enterprise)

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

Website: www.mtnl.net.in, Phone Off: 011-24319020, Fax: 011-24324243

CIN No: L32101DL1986GOI023501

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED ON 30/09/2021

(Rs. in Crore)

Sl. No.	Particulars	CONSOLIDATED					
		Three Month Ended			Six Month Ended		Year Ended
		3 months ended 30/09/2021	Preceding 3 months ended 30/06/2021	Corresponding 3 months ended 30/09/2020 in the previous year	Year to date figures for Current period ended 30/09/2021	Year to date figures for previous period ended 30/09/2020	Previous Year ended 31/03/2021
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	
I	Revenue from operations	305.73	301.15	342.19	606.88	710.99	1,387.71
II	Other Income	119.31	115.52	116.09	234.83	219.68	485.17
III	Total Income (I + II)	425.04	416.67	458.28	841.71	930.67	1,872.87
IV	Expenses						
	Changes in Inventories	1.03	1.10	1.40	2.13	1.81	5.21
	License Fees & Spectrum Charges	31.80	34.04	34.29	65.84	69.53	127.94
	Employees' Remuneration and benefits	120.21	151.77	121.44	271.98	278.40	416.55
	Finance cost	533.01	516.08	509.80	1,049.09	1,035.57	2,107.24
	Revenue Sharing	35.38	35.49	20.99	70.87	48.22	109.28
	Depreciation and amortization expense	190.84	201.95	230.96	392.79	467.17	893.30
	Administrative Expenses	167.78	165.24	122.05	333.03	252.06	673.34
	Total Expenses (IV)	1,080.05	1,105.67	1,040.91	2,185.72	2,152.76	4,332.87
V	Profits/(Loss) before exceptional items and tax(III-IV)	(655.00)	(689.00)	(582.63)	(1,344.01)	(1,222.08)	(2,460.00)
VI	Share of Profit/(loss) in investments accounted for using equity method	0.44	0.31	0.38	0.75	0.67	0.81
VII	Exceptional items	-	-	-	-	-	-
VIII	Profit/ (Loss) before tax (V- VI-VII)	(654.56)	(688.69)	(582.25)	(1,343.25)	(1,221.41)	(2,459.19)
IX	Tax expense:						
	(1) Current tax	-	-	-	-	-	1.50
	(2) Deferred tax	-	-	-	-	-	0.57
X	Profit/ (Loss) for the period from continuing operations (VIII - IX)	(654.56)	(688.69)	(582.25)	(1,343.25)	(1,221.41)	(2,461.26)
XI	Profit/ (Loss) from discontinued operations	-	-	-	-	-	-
XII	Tax expense of discontinued operations	-	-	-	-	-	-
XIII	Profit/ (Loss) from Discontinued Operations (after tax) (XI-XII)	-	-	-	-	-	-
XIV	Profit/ (Loss) for the period (X + XIII)	(654.56)	(688.69)	(582.25)	(1,343.25)	(1,221.41)	(2,461.26)
XV	Other Comprehensive Income						
A	i) Items that will not be reclassified to profit and loss	(5.75)	-	-	(5.75)	-	7.55
	ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
B	i) Items that will be reclassified to profit or loss	0.44	(3.93)	(1.72)	(3.49)	(3.47)	(8.70)
	ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Other Comprehensive Income for the year	(5.31)	(3.93)	(1.72)	(9.24)	(3.47)	(1.15)
XVI	Total Comprehensive Income for the period (XIV+XV)	(659.87)	(692.63)	(583.97)	(1,352.49)	(1,224.87)	(2,462.41)
XVII	Paid up Equity Share Capital						630.00
XVIII	Other Equity excluding revaluation reserves						(16,674.50)
XIX	Earnings per equity Share (of Rs.10 each) for continuing operations:(not annualised)						
	(1) Basic	(10.39)	(10.93)	(9.24)	(21.32)	(19.39)	(39.07)
	(2) Diluted	(10.39)	(10.93)	(9.24)	(21.32)	(19.39)	(39.07)
XX	Earnings per equity Share of Rs.10 each(for discontinued operations):(not annualised)						
	(1) Basic	-	-	-	-	-	-
	(2) Diluted	-	-	-	-	-	-
XXI	Earnings per equity Share of Rs.10 each (for discontinued & continuing operations): (not annualised)						
	(1) Basic	(10.39)	(10.93)	(9.24)	(21.32)	(19.39)	(39.07)
	(2) Diluted	(10.39)	(10.93)	(9.24)	(21.32)	(19.39)	(39.07)

See accompanying notes to the financial results:



14

Notes to Consolidated Financial Results:

- The financial results have been prepared in accordance with the Indian Accounting Standards (Ind- AS) as prescribed under Section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.
- The above results have been reviewed and adopted by the Board of Directors of the Company in their meeting held on 12.11.2021
- Additional Disclosures as per Regulation 52 (4) of SEBI (LODR) Regulations 2015

S.No.	Particulars	Three Month Ended			Six Month Ended		Year Ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		Unaudited					Audited
a	Debt Service Coverage Ratio (in times) [EBITDA / (Finance Cost + Lease Liabilities Payments+ Principal Repayment of Long Term Debt)]	0.09	0.03	0.28	0.06	0.25	0.18
b	Interest Service Coverage Ratio (in times) [EBITDA/Finance Cost]	0.13	0.06	0.31	0.09	0.27	0.26
c	Outstanding Redeemable Preference shares (quantity and value) (in Rs Crs)	-	-	-	-	-	-
d	Capital Redemption Reserve (in Rs Crs)	-	-	-	-	-	-
e	Debenture Redemption Reserve (in Rs Crs)	45.27	45.27	45.27	45.27	45.27	45.27
f	Net Worth (in Rs Crs) (As per Section 2(57) of Companies Act 2013)	(17,397.00)	(16,737.14)	(14,807.07)	(17,397.00)	(14,807.07)	(16,044.50)
g	Net Profit After Tax (in Rs Crs)	(654.56)	(688.69)	(582.25)	(1,343.25)	(1,221.41)	(2,461.26)
h	Earnings Per Share (in Rs) [Not Annualised]	(10.39)	(10.93)	(9.24)	(21.32)	(19.39)	(39.07)
i	Current Ratio (in times) [Current Assets /Current Liabilities]	0.46	0.53	0.40	0.46	0.40	0.59
j	Debt-Equity Ratio (in times) [(Long Term Borrowings including Current Maturities + Short Term Borrowings) /Total Equity]	(1.49)	(1.53)	(1.60)	(1.49)	(1.60)	(1.58)
k	Long Term Debt to Working Capital (in times) Long Term Debt excluding lease liability + Current Maturities of Long Term Debt Working Capital excluding current maturities of Long Term Borrowings	(4.12)	(5.30)	(1.79)	(4.12)	(1.79)	(6.95)
l	Bad Debts to Account Receivable Ratio (in times) [Bad Debts/Average Trade Receivables]	0.00	0.00	0.00	0.00	0.00	0.00
m	Current Liability Ratio (in times) [Current Liabilities/ Total Liabilities]	0.42	0.39	0.53	0.42	0.53	0.36
n	Total Debts to Total Assets (in times) [(Long Term Borrowings + Short Term Borrowings + Lease Liabilities) / Total Assets]	2.05	2.01	1.72	2.05	1.72	1.91
o	Debtors Turnover Ratio - Annualised (in times) [Revenue from Operations / Average Trade Receivables]	1.51	1.48	1.82	1.50	1.89	1.98
p	* Paid up Debt Capital (Outstanding Debt) (in Rs. Crs)	9,480.00	9,480.00	2,980.00	9,480.00	2,980.00	9,480.00
q	Operating Margin (%) [(EBIT - Other Income) / Revenue from Operations]	-78.78%	-95.68%	-55.10%	-87.17%	-57.04%	-60.47%
r	Net profit Margin (%) [Profit after Tax / Revenue from Operations]	-214.10%	-228.69%	-170.15%	-221.34%	-171.79%	-177.36%

- Paidup debt Capital excludes NCDs issued to the tune of Rs. 4533.97 Cr for which the liability to pay interest and principal is on Govt.
- The figures for the previous periods have been regrouped wherever necessary to conform to the current period presentation.

For and on behalf of the Board


(P.K. Purwar)

Chairman & Managing Director
DIN: 06619060

Place : New Delhi
Date : 12.11.2021



15

MAHANAGAR TELEPHONE NIGAM LIMITED

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

Website: www.mtnl.net.in, Phone Off: 011-24319020, Fax: 011-24324243

CIN No: L32101DL1986GOI023501

CONSOLIDATED UNAUDITED SEGMENT WISE REVENUE, RESULTS AND ASSETS & LIABILITIES FOR THE QUARTER AND SIX MONTHS ENDED ON 30/09/2021

(Rs. in Crore)

Sl. No.	Particulars	CONSOLIDATED					
		Three Month Ended			Six Month Ended		Year Ended
		3 months ended 30/09/2021	Preceding 3 months ended 30/06/2021	Corresponding 3 months ended 30/09/2020 in the previous year	Year to date figures for Current period ended 30/09/2021	Year to date figures for previous period ended 30/09/2020	Previous year ended 31/03/2021
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	
1.	Revenue from Operations						
	Basic & other Services	250.77	251.26	297.40	502.03	618.80	1,180.79
	Cellular	55.30	50.24	45.18	105.55	93.01	208.52
	Unallocable	-	-	0.02	-	0.04	0.06
	Total	306.07	301.50	342.61	607.57	711.85	1,389.37
	Less: Inter Segment Revenue	0.34	0.35	0.42	0.69	0.86	1.66
	Net Revenue from Operations	305.73	301.15	342.19	606.88	710.99	1,387.71
2.	Segment Result before interest income, exceptional items, finance cost and tax						
	Basic & other Services	(18.64)	(64.32)	34.45	(82.96)	50.49	98.80
	Cellular	(115.07)	(98.09)	(111.36)	(213.16)	(234.15)	(480.51)
	Unallocable	7.94	(12.86)	(9.51)	(4.93)	(20.94)	(22.57)
	Total	(125.77)	(175.28)	(86.42)	(301.05)	(204.61)	(404.27)
	Add: Exceptional items	-	-	-	-	-	-
	Add: Interest Income	3.78	2.35	13.58	6.13	18.10	51.51
	Less: Finance cost	533.01	516.08	509.80	1,049.09	1,035.57	2,107.24
	Add: Share of profit or loss from Associates/ JV	0.44	0.31	0.38	0.75	0.67	0.81
	Profit/ (Loss) before tax	(654.56)	(688.69)	(582.25)	(1343.25)	(1221.41)	(2,459.19)
	Less: Provision for Current Tax & Deferred tax	-	-	-	-	-	2.07
	Profit/ (Loss) after tax	(654.56)	(688.69)	(582.25)	(1,343.25)	(1,221.41)	(2,461.26)
3.	Capital Employed (Segment Assets - Segment Liabilities)						
	Segment Asset						
	Basic & other Services	7,037.19	7,122.14	7,301.19	7,037.19	7,301.19	7,124.08
	Cellular	4,336.31	4,424.92	4,758.59	4,336.31	4,758.59	4,521.73
	Unallocable/Eliminations	1,415.22	1,345.10	1,847.41	1,415.22	1,847.41	1,729.55
	Total Segment Assets	12,788.72	12,892.16	13,907.19	12,788.72	13,907.19	13,375.37
	Segment Liabilities						
	Basic & other Services	2,676.82	2,695.61	3,578.91	2,676.82	3,578.91	2,585.83
	Cellular	25,095.99	24,593.04	23,446.07	25,095.99	23,446.07	24,109.09
	Unallocable/Eliminations	2,412.91	2,340.66	1,689.29	2,412.91	1,689.29	2,724.95
	Total Segment Liabilities	30,185.72	29,629.30	28,714.26	30,185.72	28,714.26	29,419.87
	Segment Capital Employed						
	Basic & other Services	4,360.37	4,426.54	3,722.28	4,360.37	3,722.28	4,538.26
	Cellular	(20,759.67)	(20,168.11)	(18,687.47)	(20,759.67)	(18,687.47)	(19,587.35)
	Unallocable/Eliminations	(997.69)	(995.56)	158.12	(997.69)	158.12	(995.41)
	Capital Employed	(17,397.00)	(16,737.14)	(14,807.07)	(17,397.00)	(14,807.07)	(16,044.50)

For and on behalf of the Board



(P K Purwar)

Chairman & Managing Director

DIN: 06619060

Place : New Delhi

Date : 12.11.2021



16

MAHANAGAR TELEPHONE NIGAM LIMITED

Annexure III

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

Website: www.mtnl.net.in, Phone Off: 011-24319020, Fax: 011-24324243

CIN No: L32101DL1986GOI023501

CONSOLIDATED UNAUDITED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Crore)

Particulars	CONSOLIDATED	
	As at 30.09.2021	As at 31.03.2021
	Unaudited	Audited
ASSETS		
(1) Non-current assets		
(a) Property, Plant and Equipment	3,162.38	3,329.45
(b) Capital work-in-progress	153.75	184.25
(c) Right-of-Use Asset	427.28	447.33
(d) Investment Property	43.16	43.95
(e) Intangible assets	2,264.66	2,431.86
(f) Investments accounted for using the equity method	3.47	3.17
(g) Financial Assets		
(i) Loans	127.42	4.22
(ii) Others	193.43	204.08
(h) Deferred tax assets (net)	0.00	0.00
(i) Non Current Tax Asset	527.09	516.05
(j) Other Non-Current Assets	46.44	29.36
Total non-current assets	6,949.07	7,193.72
(2) Current assets		
(a) Inventories	4.40	9.05
(b) Financial Assets		
(i) Trade Receivables	844.94	771.71
(ii) Cash and cash equivalents	102.98	127.09
(iii) Bank Balances other than (ii) above	36.63	193.15
(iv) Loans	3,605.97	3,636.54
(v) Other Financial Assets	827.79	723.96
(c) Current tax assets (Net)	-	-
(d) Other current assets	416.87	720.07
Total Current assets	5,839.59	6,181.56
(3) Asset held for sale	0.07	0.07
Total Assets(1+2+3)	12,788.72	13,375.35
EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share Capital	630.00	630.00
(b) Other Equity	(18,027.00)	(16,674.50)
Total Equity	(17,397.00)	(16,044.50)
(1) LIABILITIES		
(i) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	16,840.14	18,172.18
(ii) Lease Liabilities	163.65	180.41
(iii) Other Financial Liabilities	106.45	208.90
(b) Long Term Provisions	255.52	238.58
(c) Deferred tax liabilities (Net)	6.69	6.88
(d) Other Non Current liabilities	84.81	97.15
Total Non-Current Liabilities	17,457.26	18,904.10
(ii) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	9,159.44	7,176.37
(ii) Lease Liabilities	67.72	71.32
(iii) Trade Payables		
(A) total outstanding dues of micro enterprises and small enterprises	57.90	42.51
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	683.91	659.21
(iv) Other Financial Liabilities	1,896.26	1,752.19
(b) Other current liabilities	688.89	641.30
(c) Short Term Provisions	174.33	171.47
(d) Current Tax Liabilities	-	1.40
Total Current Liabilities	12,728.46	10,515.75
Total Liabilities (i)+ (ii)	30,185.72	29,419.85
Total Equity and Liabilities (1 + 2)	12,788.72	13,375.35

17

Place : New Delhi
Date : 12.11.2021



For and on behalf of the Board

P. K. Purwar
(P. K. Purwar)

Chairman & Managing Director
DIN No. 06619060

MAHANAGAR TELEPHONE NIGAM LIMITED

Consolidated Unaudited Cash Flow Statement for the Half Year ended 30th September, 2021

	(Rs. in crores)	
	Half Year ended	
	30th Sept. 2021	30th Sept. 2020
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax		
Continuing operations	(1,343.25)	(1,221.41)
Discontinued operations	-	-
	(1,343.25)	(1,221.41)
Adjustments for:		
Depreciation expense	225.59	299.57
Amortisation expense	167.20	167.60
Loss on disposal of property, plant and equipment (net)	0.02	0.08
Share of (profit)/loss from associates and joint ventures	(0.75)	(0.67)
Interest income	(6.13)	(18.10)
Excess provisions written back	(37.01)	(2.45)
Loss of assets	3.36	1.47
Provision for doubtful debts including discount	54.45	22.39
Provision for obsolete inventory	16.99	2.60
Provision for doubtful claims	1.11	0.14
Provision For Abandoned Work- CWIP	-	-
Remeasurement gains and loss on employee benefit obligations	(5.75)	-
Finance costs	1,049.09	1,035.57
Bad debts recovered	(0.00)	(0.01)
Bad debts written off	0.38	0.01
Operating profit before working capital changes	125.29	286.79
Movement in working capital		
(Increase)/Decrease in loans	(88.98)	(48.61)
(Increase)/Decrease in inventories	(15.79)	1.96
(Increase)/Decrease in other financial assets	(104.43)	2,493.66
(Increase)/Decrease in other assets	284.99	(12.35)
(Increase)/Decrease in trade and other receivables	(128.80)	(270.60)
Increase/(Decrease) in other financial liabilities	24.81	(2,556.72)
Increase/(Decrease) in other liabilities	35.04	83.67
Increase/(Decrease) in provisions, trade and other payables	95.90	40.57
Cash flow from operating activities post working capital changes	228.02	18.38
Income tax refunds (net)	(12.63)	71.64
Net cash flow from operating activities (A)	215.39	90.03
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment, investment property and intangible assets (including capital work-in-progress) (net of sale proceeds)	2.01	(13.13)
Movement in fixed deposits (net)	167.17	(23.56)
Dividend received	0.46	-
Interest received	1.35	9.25
Net cash flows used in investing activities (B)	170.98	(27.44)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds and repayment of long-term borrowings (net)	(584.46)	269.45
Proceeds and repayment of short-term borrowings (net)	1,233.07	430.76
Finance cost paid	(1,018.35)	(798.14)
Payment towards Lease Liability	(40.75)	(63.03)
Net cash used in financing activities (C)	(410.49)	(160.95)
Increase in cash and cash equivalents (A+B+C)	(24.11)	(98.37)
Cash and cash equivalents at the beginning of the year	127.09	196.60
Cash and cash equivalents at the end of the year	102.98	98.23

For and on behalf of the Board



Chairman & Managing Director

DIN No. 06619060

Place : New Delhi
Date : 12.11.2021

VINOD KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
4696, Brij Bhawan,
21A, Ansari Road, Darya Ganj
New Delhi – 110002

SPMG & Co.
CHARTERED ACCOUNTANTS
3322-A, 2nd Floor,
Bank Street, Karol Bagh,
New Delhi – 110005

Independent Auditor's Review Report on Unaudited Consolidated Financial Results for the Quarter and Half year ended September 30th, 2021 of Mahanagar Telephone Nigam Limited Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

To
The Board of Directors
Mahanagar Telephone Nigam Limited
Mahanagar Doorsanchar Sadan,
5th Floor, 9, CGO Complex,
Lodhi Road, New Delhi - 110 003

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Mahanagar Telephone Nigam Limited ("The Holding") and its subsidiaries (the Holding and its subsidiaries together referred to as "The Group"), and its share of the net profit after tax and total comprehensive income of its a joint venture and associate for the quarter and half year ended September 30th, 2021 ("The Statement") attached herewith, being submitted by the holding pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This Statement, which is the responsibility of the Holdings's Management and approved by the Holding's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

2. We conducted our review of the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

3. The Statement includes the results of the following entities:

(a) **List of Subsidiaries:**

- Mahanagar Telephone (Mauritius) Limited ('MTML')
- Millenium Telecom Limited



19

- (b) **List of step down subsidiaries**
 - MTML Data Limited
 - MTML International Limited
- (c) **List of Joint Venture:**
 - MTNL STPI IT Services Limited ('MSISL')
- (d) **List of Associate:**
 - United Telecommunications Limited ('UTL')

4. 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.

5. Qualified Conclusion

Based on our review conducted and procedures performed as stated in paragraph 2 above and based on the interim financial results and other financial information certified by the management of holding company referred to in paragraph 7 below, except for the observations / matters mentioned in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matter

- i. With reference to pending dispute with the Income Tax Department before the Hon'ble Courts regarding deduction claimed by the Holding Company u/s 80 IA of the Income Tax Act, 1961 we are unable to comment on the adequacy or otherwise of the provision and / or contingency reserve held by the Holding Company.
- ii. Impact of accounting of claims and counter claims of MTNL with M/S M&N Publications Ltd., in a dispute over printing, publishing and supply of telephone directories for MTNL, will be given in the year when the ultimate collection / payment of the same becomes reasonably certain.
- iii. Amount receivable from BSNL & Other Operators have been reflected as loans and other financial assets instead of bifurcating the same into trade receivables and other financial assets.
- iv. The Amounts recoverable from Department of Telecommunication (DOT) in respect of settlement of General Provident Fund {GPF} of Combined Service Optees absorbed employees in MTNL and the matter has been under review with DOT and the full amount of GPF including interest thereon, claimed of the Holding Company in respect of which correspondence in going on between the Holding Company and DOT are continued to be shown as recoverable from DOT and payable to GPF.

v. The payables towards license fees and spectrum usage charges have been adjusted with excess pension payouts to Combined Pensioners Optees recoverable from DOT in respect of which matter is under consideration and correspondence in going on between the Holding Company and DOT.



- vi. The License agreement between Holding Company and DOT does not have any guidance on change in method of calculation of Adjusted Gross Revenue (AGR) due to migration to Ind-AS from I-GAAP. Provisioning and payment of liability in respect of license fees and spectrum usage charges payable to DOT has been done on the basis of Ind-AS based financial statements. The amount of difference in computation of Adjusted Gross Revenue (AGR) is under consideration of DOT.
- vii. In certain cases of freehold and leasehold land the Holding Company is having title deeds which are in the name of the Holding Company but the value of which are not lying in books of accounts of the Holding Company.
- viii. Income arising on account of Revenue Sharing with BSNL in respect of lease circuits provided has not been recognized in terms of Memorandum of Understanding (MOU) between BSNL and MTNL. As per MOU, revenue and expenditure will be based on the price offered to the customers after applying the discount, if any at the time of acquiring the business. However, Revenue has been recognized on the basis of available information which is either based on the Holding Company Card Rates or Old rates of BSNL. In Some Cases, BSNL has given the information in respect of updated rates but the same has not been considered at the time of booking of revenue sharing with BSNL. In the absence of relevant updated records, we are not in a position to comment on the impact thereof on the consolidated financial results.
- ix. Dues from the Operators being on account of revenue sharing agreements are not treated as debtors and consequently are not taken into account for making provision for doubtful debts.
- x. In pursuance DoT letter No. F.No. 30-04/2019-PSU Affairs dt. 29 October, 2019 and decision of Board of Directors of MTNL through circular regulation on 4th November 2019, the MTNL Voluntary Retirement Scheme has been introduced with effect from 4th November 2019 under which 14,387 number of MTNL employees opted for VRS and the expenditure of ex-gratia on account of compensation to be borne by the DOT/Government of India through budgetary supports as per approval of cabinet. As such no provision of VRS compensation is considered in the books of Holding company. Balance amount payable to VRS opted employees as on September 30th, 2021 is shown as receivable from DOT and payable to VRS retirees, to reflect the actual position with reference to VRS scheme of 2019 of MTNL.
- xi. Out of the total revenue from operations for the quarter and half year ended September 30th, 2021 of Rs. 305.73 Crores and Rs. 606.88 Crores respectively, Revenue of Rs. 2.10 Crores and Rs. 3.82 Crores has been computed and accounted for Interconnect billing for the quarter and half year ended September 30th, 2021 respectively, on the basis of assumption of Incoming traffic (in minutes) of June 2021.

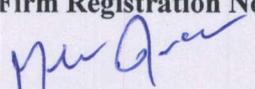
Our conclusion is not modified in respect of aforesaid matters.

7. The Statement includes interim financial results and other financial information of 4 subsidiaries (including two step down subsidiaries) whose interim financial results and other financial information reflect total assets of Rs 157.17 Crores as at September 30th, 2021 and total revenues of Rs. 18.08 Crores and Rs 36.02 Crores, net loss of Rs. 1.32 Crores and Rs 2.19 Crores, and total comprehensive loss of Rs. 0.87 Crores and Rs. 5.68 Crores for the quarter and half year ended September 30th, 2021 respectively and net cash outflow amounting to Rs. 3.25 Crores for the half year ended September 30th, 2021 and the interim financial results and other financial information of 1 joint venture which reflects Group's share of net profit after tax of Rs. 0.44 Crores and Rs. 0.75 Crores and total comprehensive income of Rs. 0.44



Crores and Rs. 0.75 Crores for the quarter and half year ended September 30th, 2021 respectively which are certified by the Management. According to the information and explanations given to us by the Management, these interim financial results and other financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of this matter.

For Vinod Kumar & Associates
Chartered Accountants
Firm Registration No.: 002304N


CA Mukesh Dadhich
Partner

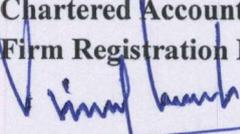
Membership No.: 511741
UDIN: 21511741AAAAMU6888

Place: New Delhi

Date: November 12th, 2021



For SPMG & Co.
Chartered Accountants
Firm Registration No.: 509249C


CA Vinod Gupta
Partner

Membership No.: 090687
UDIN: 21090687AAAAHX3470

22

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**Annexure – I to the Independent Auditors' Review Report
(Referred to in Para 3 of our report of even date)**

- i. The Net Worth of the Holding Company has been fully eroded; The Holding Company has incurred net cash loss during the quarter and half year ended September 30th, 2021 as well as in the previous year and the current liabilities exceeded the current assets substantially.

Furthermore, Department of Public Enterprises vide its Office Memorandum No. DPE/5(1)/2014-Fin. (Part-IX-A) has classified the status of the Holding Company as "Incipient Sick CPSE". Department of Telecommunication (DOT) has also confirmed the status vide its issue no. I/3000697/ 2017 through file no. 19-17/2017 – SU-II.

However, the consolidated financial results of the Holding Company have been prepared on a going concern basis keeping in view the majority stake of the Government of India.

Further, Union Cabinet has also approved the "Revival plan of BSNL and MTNL" by reducing employee costs, administrative allotment of spectrum for 4G services, debt restructuring by raising of sovereign guarantee bonds, monetization of assets and in principle approval for merger of BSNL and MTNL. Further, the Holding Company has implemented the Voluntary Retirement Scheme in FY 2019-20 resulted into reduction in Employees Cost and also raised funds by issuing Bonds for ₹ 6,500 crore in FY 2020-21 in line with cabinet note

ii. **Bharat Sanchar Nigam Limited (BSNL):**

a) The Holding Company has certain balances receivables from and payables to Bharat Sanchar Nigam Limited (BSNL). The net amount recoverable of Rs. 3652.33 Crores is subject to reconciliation and confirmation. In view of non-reconciliation and non-confirmation and also in view of various pending disputes regarding claims and counter claims, we are not in a position to ascertain and comment on the correctness of the outstanding balances and resultant impact of the same on the consolidated financial results of the Holding Company.

b) The Holding Company has not provided a provision for doubtful claims in respect of lapsed CENVAT Credit due to non-payment of service tax to service providers within the period of 180 days and due to transition provision under Goods and Service Tax (GST) where the aforesaid CENVAT credit amounting to Rs. 144.66 Crores has not been carried forward resulting in understatement of loss to that extent.

- iii. The Holding Company has certain balances receivables from and payables to Department of Telecommunication (DOT). The net amount recoverable of Rs. 258.40 Crores, Out of which Rs. 258.25 Crores is subject to reconciliation and confirmation. In view of non-reconciliation and non-confirmation, we are not in a position to ascertain and comment on the correctness of the outstanding balances and resultant impact of the same on the consolidated financial results of the Holding Company.

Up to financial year 2011-12 License Fee payable to the DOT on IUC charges to BSNL was worked out on accrual basis as against the terms of License agreements requiring deduction



23

for expenditure from the gross revenue to be allowed on actual payment basis. From financial year 2012-13, the license fee payable to the DOT has been worked out strictly in terms of the license agreements. The Holding Company continues to reflect the difference in license fee arising from working out the same on accrual basis as aforesaid for the period up to financial year 2011-12 by way of contingent liability of Rs. 140.36 Crores instead of actual liability resulting in understatement of current liabilities and understatement of loss to that extent.

- v. The Holding Company had allocated the overheads towards capital works in a manner which is not in line with the accepted accounting practices and Indian Accounting Standard – 16 “Property, Plant and Equipment” prescribed under Section 133 of the Act, the same results into overstatement of capital work in progress/ property, plant and equipment and understatement of loss. The actual impact of the same on the consolidated financial results for quarter and half year ended September 30th, 2021 is not ascertained and quantified.
- vi. Except for the impairment loss of assets of CDMA units provided in earlier years, no adjustment has been considered on account of impairment loss, if any, during the quarter and half year ended September 30th, 2021, with reference to Indian Accounting Standard – 36 “Impairment of Assets” prescribed under Section 133 of the Act. In view of uncertainty in achievement of future projections made by the Holding Company, we are unable to ascertain and comment on the provision required in respect of impairment in carrying value of cash generating units and its consequent impact on the loss for the quarter and half year ended September 30th, 2021, accumulated balance of other equity and also the carrying value of the cash generating units.
- vii. The Holding Company does not follow a system of obtaining confirmations and performing reconciliation of balances in respect of amount receivables from trade receivables, deposits with Government Departments and others, claim recoverable from operators and others parties and amount payables to trade payables, claim payable to operators, and amount payable to other parties. Accordingly, amount receivables from and payables to the various parties are subject to confirmation and reconciliation. Pending such confirmation and reconciliations, the impact thereof on the consolidated financial results are not ascertainable and quantifiable.
- viii. Unlinked credit of Rs. 77.68 Crores on account of receipts from subscribers against billing by the Holding Company which could not be matched with corresponding receivables is appearing as liabilities in the balance sheet. To that extent, trade receivables and current liabilities are overstated. Pending reconciliations, the impact thereof on the consolidated financial results are not ascertainable and quantifiable.
- ix. Property, Plant and Equipment are generally capitalized on the basis of completion certificates issued by the engineering department or bills received by finance department in respect of bought out capital items or inventory issued from the Stores. Due to delays in issuance of the completion certificates or receipt of the bills or receipt of inventory issue slips, there are cases where capitalization of the Property, Plant and Equipment gets deferred to next year. The resultant impact of the same on the consolidated financial results by way of depreciation and amount of Property, Plant and Equipment capitalized in the balance sheet cannot be ascertained and quantified.
- x. Certain Land and Buildings transferred to MTNL from DOT in earlier years have been reflected as leasehold. In the absence of relevant records, we are not in a position to comment on the classification, capitalization and amortization of the same as leasehold and also the consequential impacts, if any, of such classification, capitalization and amortization not



backed by relevant records. In the absence of relevant records, impact of such classification on the consolidated financial results cannot be ascertained and quantified.

- xi. Department of Telecommunication (DOT) had raised a demand of Rs. 3313.15 Crores in 2012-13 on account of one time charges for 2G spectrum held by the Company for GSM and CDMA for the period of license already elapsed and also for the remaining valid period of license including spectrum given on trial basis.

As explained the demand for spectrum usage for CDMA for Rs 107.44 Crores has been withdrawn by DOT on account of rectification of actual usage.

Also 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 private operators 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 has been created for the demand made by DOT on this account and Rs. 3205.71 Crores has been disclosed as contingent liability till FY 2018-19 although no further demand is there from DOT till date. However as explained further, the TDSAT while setting aside the levy of OTSC on spectrum allotted beyond 6.2 Mhz, directed Govt. to review the demand for spectrum allotted after 1-7-2008 and that too w.e.f 1-1-2013 in case the spectrum beyond 6.2 Mhz was allotted before 1-1-2013. As explained, as per the TDSAT orders also no further demand is raised till now and as per management based on TDSAT direction the demand, if any, cannot be more than Rs 455.15 crores the same is considered 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 Holding Company and the ultimate implications of the same on the consolidated financial results of the Holding Company.

- xii. The Holding Company has deducted/collected Liquidated Damages and withheld Charges from vendors on account of non-fulfilment of contracted conditions, on which liability for Goods and Services Tax (GST) has not been considered. The actual impact of the same on the consolidated financial results for quarter and half year ended September 30th, 2021 is not ascertained and quantified.
- xiii. The Holding Company has recovered Electricity Charges from the tenants, on which liability for Goods and Services Tax (GST) has not been considered, as the expenses recovered without installing sub meter. The actual impact of the same on the consolidated financial result for quarter and half year ended September 30th, 2021 is not ascertained and quantified.
- xiv. The Holding has not reversed the provision for expense (Accrued Liability) on regular intervals, thereby the provision for expenses account has been accumulated significantly. Accordingly, the provision for expenses remain unadjusted. Further TDS on provision for Expenses has not been deducted under chapter XVII- B of Income Tax Act, 1961. The actual impact of the same on the consolidated financial result for quarter and half year ended September 30th, 2021 is not ascertained and quantified.

The Holding Company is making the provision for interest for late/non-payment to MSME vendors which is subject to deduction of tax under section 194A of Income Tax Act, 1961. The actual impact of the same on the consolidated financial results for quarter and half year ended September 30th, 2021 is not ascertained and quantified.

- xv. The income arising on account of rental in respect of property occupied by the BSNL amounting to Rs. 6.39 Crores and Rs. 12.78 Crores accrued during the quarter and half year



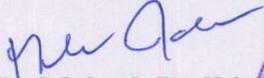
25

ended September 30th, 2021 respectively has not been recognised in the Consolidated financial results. Accordingly, the Goods and Services Tax (GST) has also not been considered. The accumulated impact on the consolidated financial results of such income for the quarter and half year ended September 30th, 2021 and preceding years is not ascertained and quantified.

The above basis for qualified conclusion referred to in Para no. (i) to (xvi) were subject matter of qualification in the Auditor's Report for the year ended March 31st, 2021 and in the Limited review report for the quarter ended June 30th 2021.

In the absence of information, the effect of which can't be quantified, we are unable to comment on the possible impact of the items stated in the point nos. (i), (ii)(a), (ii)(b), (iii), (v), (vi), (vii),(viii), (ix), (x), (xi), (xii), (xiii) (xiv), (xv) and (xvi) on the consolidated financial result of the Holding Company for the quarter and half year ended September 30th, 2021.

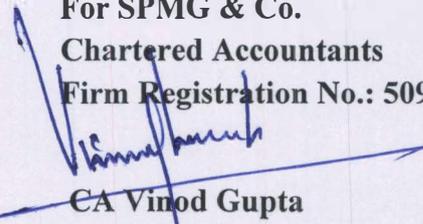
For Vinod Kumar & Associates
Chartered Accountants
Firm Registration No.: 002304N


CA Mukesh Dadhich
Partner

Membership No.: 511741
UDIN: 21511741AAAAMU6888



For SPMG & Co.
Chartered Accountants
Firm Registration No.: 509249C


CA Vinod Gupta
Partner

Membership No.: 090687
UDIN: 21090687AAAAX3470

Place: New Delhi

Date: November 12th, 2021

26

MAHANAGAR TELEPHONE NIGAM LIMITED

(A Govt. of India Enterprise)

Corporate & Registered Office : Mahanagar Doorsanchar Sadan, 5th Floor, 9, CGO Complex, Lodhi Road, New Delhi-110003

Website: www.mtnl.net.in, Phone Off: 011-24319020, Fax: 011-24324243

CIN No: L32101DL1986GO1023501

EXTRACT OF STANDALONE & CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED ON 30/09/2021

(Rs. in Crore)

Particulars	STANDALONE					CONSOLIDATED				
	Three Month Ended		Six Month Ended		Year Ended	Three Month Ended		Six Month Ended		Year Ended
	3 months ended 30/09/2021	Corresponding 3 months ended 30/09/2020 in the previous year	Year to date figures for Current period ended 30/09/2021	Year to date figures for previous period ended 30/09/2020	Previous year ended 31/03/2021	3 months ended 30/09/2021	Corresponding 3 months ended 30/09/2020 in the previous year	Year to date figures for Current period ended 30/09/2021	Year to date figures for previous period ended 30/09/2020	Previous year ended 31/03/2021
UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	
1 Total Income from Operations	287.89	321.26	571.70	673.33	1,303.64	305.73	342.19	606.88	710.99	1,387.71
2 Net Profit/ (Loss) for the period before exceptional items & tax	(653.21)	(583.40)	(1,341.33)	(1,219.81)	(2,461.79)	(654.56)	(582.25)	(1,343.25)	(1,221.41)	(2,459.19)
3 Net Profit/ (Loss) for the period before Tax(after Exceptional items)	(653.21)	(583.40)	(1,341.33)	(1,219.81)	(2,461.79)	(654.56)	(582.25)	(1,343.25)	(1,221.41)	(2,459.19)
4 Net Profit/ (Loss) for the period after Tax	(653.21)	(583.40)	(1,341.33)	(1,219.81)	(2,461.79)	(654.56)	(582.25)	(1,343.25)	(1,221.41)	(2,461.26)
5 Total Comprehensive Income for the period (Comprising net profit/(loss) after tax and other comprehensive income after tax)	(658.96)	(583.40)	(1,347.08)	(1,219.81)	(2,454.24)	(659.87)	(583.97)	(1,352.49)	(1,224.87)	(2,462.41)
6 Paid up Equity Share Capital	630.00	630.00	630.00	630.00	630.00	630.00	630.00	630.00	630.00	630.00
7 Other Equity excluding revaluation reserves	(18,016.97)	(15,435.56)	(18,016.97)	(15,435.56)	(16,669.88)	(18,027.00)	(15,437.07)	(18,027.00)	(15,437.07)	(16,674.50)
8 Securities Premium Account	665.00	665.00	665.00	665.00	665.00	665.00	665.00	665.00	665.00	665.00
9 Net Worth	(17,386.97)	(14,805.56)	(17,386.97)	(14,805.56)	(16,039.88)	(17,397.00)	(14,807.07)	(17,397.00)	(14,807.07)	(16,044.50)
10 Paid up Debt Capital/ Outstanding Debt	9,480.00	2,980.00	9,480.00	2,980.00	9,480.00	9,480.00	2,980.00	9,480.00	2,980.00	9,480.00
11 Outstanding Redeemable Preference Shares	-	-	-	-	-	-	-	-	-	-
12 Debt Equity Ratio (in times)	(1.50)	(1.60)	(1.50)	(1.60)	(1.58)	(1.49)	(1.60)	(1.49)	(1.60)	(1.58)
13 Earnings Per Share (of Rs.10 each) for continuing and discontinued operations- (not annualised)										
1. Basic :	(10.37)	(9.26)	(21.29)	(19.36)	(39.08)	(10.39)	(9.24)	(21.32)	(19.39)	(39.07)
2. Diluted :	(10.37)	(9.26)	(21.29)	(19.36)	(39.08)	(10.39)	(9.24)	(21.32)	(19.39)	(39.07)
14 Capital Redemption Reserve	-	-	-	-	-	-	-	-	-	-
15 Debenture Redemption Reserve	45.27	45.27	45.27	45.27	45.27	45.27	45.27	45.27	45.27	45.27
16 Debt Service Coverage Ratio (DSCR) (in times)	0.09	0.27	0.06	0.25	0.17	0.09	0.28	0.06	0.25	0.18
17 Interest Service Coverage Ratio (ISCR) (in times)	0.13	0.30	0.09	0.27	0.25	0.13	0.31	0.09	0.27	0.26

Note:

1. The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results are available on the website of the company at www.mtnl.net.in and on the Stock Exchange websites at www.bseindia.com and www.nseindia.com.
2. The above results have been reviewed and recommended for adoption by the Audit Committee in their meeting held on 12.11.2021 and approved by the Board of Directors of the Company at their meeting held on the same date.
3. The company has prepared these financial results in accordance with the Companies (Indian Accounting Standards) Rules 2015 prescribed under Section 133 of the Companies Act, 2013.
4. For the items referred in the Regulation 52(4) of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015, the pertinent disclosures have been made to the BSE & NSE and can be accessed on the Stock Exchange websites at www.bseindia.com and www.nseindia.com.
5. The figures for the previous periods have been regrouped wherever necessary to conform to the current period presentation.

Place: New Delhi

Date: 12.11.2021




 (P K Purwar)
 Chairman & Managing Director
 DIN: 06619060

27