FINAL 

# **AWARDS & RECOGNITIONS**



Best Wi-Fi System Ingetrator 2019 by Digi Analysis



Digitally Empowered PSU 2019 by VARINDIA



Gold Excellence Award for Facility and Maintenance (2019)



Excellence Global Telecom Service Provider 2019 (13th CMAI ICT Word Communication Summit Awards)



Gold Excellence Award for Facility and Maintenance (2018)



CMAI Awarded TCIL for Excellent ICT initiatives for Tele-health 2017



SKOCH order of Merit BSE 2017 for Sierratel Infrastructure and Modernization (SIM) Project



Gold Excellence Award for Leadership (2017)



PSE Excellence Award for Excellence in Human Resources Management 2016



India Pride Award 2016 for Excellence in India Image Enhancement awarded by Dainik Bhaskar

# BUILDING A SUSTAINABLE FUTURE

# **TABLE OF CONTENTS**

Board of Directors	04
Notice	07
Chairman's Speech	14
Board's Report	20
Annexures to Board's Report	49
Certificate on Corporate Governance	96
Certification/Declaration of Financial Statements by the	
Chief Executive/Chief Finance Officer of the Company	97
Declaration regarding compliance with the Code of conduct	98
Auditors' Report	99
Balance Sheet	108
Statement of Profit & Loss	110
Consolidated Financial Statements	173
Comments of C&AG	247

## **HIGHLIGHTS**



**-**◆





Telecommunications Consultants India Limited (A Government of India Enterprise)



Shri Rajiv Gupta Chairman and Managing Director & Director(Projects)



Shri Narendra Jain Director (Finance)



Shri Kamendra Kumar Director (Technical)



**Prof. Rekha Jain** *Independent Director* 



**Shri Ramhit Ram** Independent Director



**Ms. Vinod Kotwal**Director (Government Nominee)



**Shri Sanjeev Gupta**Director (Government Nominee)

#### **BOARD OF DIRECTORS**

(As on the date of AGM)

#### Shri Rajiv Gupta

Chairman & Managing Director (w.e.f. 01.09.2019)

Director (Projects) (w.e.f. 04.06.2015)

Shri Narendra Jain (w.e.f. 27.03.2018)

Shri Kamendra Kumar (w.e.f. 01.08.2018)

**Prof. Rekha Jain** (w.e.f. 23.11.2015)

Shri Ramhit Ram (w.e.f. 27.08.2019)

**Smt. Vinod Kotwal** (w.e.f. 01.08.2018)

Shri Sanjeev Gupta (w.e.f. 13.02.2018)

#### Ms Rashmi Chawla

Deputy Company Secretary (w.e.f. 19.07.2019)

#### **AUDITORS**

#### **Statutory Auditors**

M/s Hingorani M. & Co.,

Chartered Accountants,

35, Netaji Subhash Marg,

Darya Gang,

New Delhi - 110002

#### Secretarial Auditor

Agarwal S. Associates

Company Secretaries

119 & 127, Vardman Star City Mall

Sector 7, Dwarka, New Delhi - 110075

#### **Cost Auditor**

Sanjay Gupta & Associates

C-4-E/135

Janak Puri

New Delhi - 110058

#### BRANCH AUDITORS

#### M/s Jimenez Auditors,

P.O Box 368.

Matrah Postal code 114, Oman.

#### M/s Al-Waha Auditing Office.

2nd Floor, Hyla Building,

Ahmed Al-Jabir Street, Sharq, Kuwait.

#### M/s Moore Stephens,

6th Floor, Newton Tower,

Sir William Newton Street,

Port Louis, Mauritius.

#### M/s UTC International.,

P.O. Box 18025,

Riyadh 11415, KSA.

#### M/s Rashid Awaji,

Certified Public Accountant,

LIC.No.468,

P.O Box: Building No. 6483,

Unit No.1, A1- Olaya St.

Zip Code 12271, KSA.

#### BANKERS

#### **Allahabad Bank**

Nehru Place, New Delhi

#### Axis Bank,

C.R.Park, New Delhi

#### Bank of Baroda,

Nehru Place, New Delhi

#### HDFC Bank,

Bhikaji Cama Place, New Delhi

Connaught Place, New Delhi

#### INDUS IND BANK,

Connaught Place, New Delhi

#### Indian Overseas Bank,

Nehru Place, New Delhi

#### **Punjab National Bank**

New Delhi/Gurgaon

#### **IDFC Bank**

Central Delhi - 110001

#### Punjab & Sind Bank,

Connaught Place, New Delhi

#### **State Bank of India**

Overseas Branch,

Connaught Place, New Delhi

#### Vijaya Bank

Nehru Place, New Delhi

#### Yes Bank

Chanakya Puri, New Delhi

Canara Bank Nehru Place, New Delhi

## **IDBI Bank**

Nehru Enclave, CC 22

Hotel Conclave Executive

Kalkaji, New Delhi - 110019

#### Jammu and Kashmir Bank Ltd

Vasant Vihar, New Delhi-110057

#### Registered Office

#### TCIL Bhawan,

**-**◆

Greater Kailash I, New Delhi - 110048



#### TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED

#### TCIL BHAWAN, GREATER KAILASH - I, NEW DELHI - 110048. CIN: U74999DL1978GOI008911

#### **NOTICE**

Notice is hereby given that the  $41^{st}$  Annual General Meeting of the members of the Company will be held on Monday, the  $30^{th}$  September, 2019 at 12.00 hrs. in TCIL Bhawan, Conference Room, Greater Kailash I, New Delhi – 110048 to transact the following business:-

#### **Ordinary Business**

- To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements consisting of Balance Sheet, Statement of Profit & Loss and Cash Flow Statement for the year ended 31st March, 2019 together with the Board's Report and Auditor's Report thereon.
- To declare dividend for the financial year 2018-19.
- 3. To authorize the Board of Directors to fix Remuneration of the Statutory Auditors for the year 2019 -20.

#### **Special Business**

#### 4. APPROVAL OF REMUNERATION PAYABLE TO COST AUDITORS.

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Rule 14 of the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs.80,000/- plus applicable taxes thereon payable to M/s Sanjay Gupta & Associates, Cost Auditors appointed by the Board of Directors of the Company on the recommendations of the Audit Committee, to conduct the audit of the cost records of the Company for the financial year 2019-20, be and is hereby ratified.

**FURTHER RESOLVED THAT** the Deputy Company Secretary of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board

(RASHMI CHAWLA) DEPUTY COMPANY SECRETARY

New Delhi Date: 06.09.2019

То

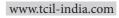
- 1. All Members of the Company
- 2. Statutory Auditors
- 3. Secretarial Auditor
- 4. Cost Auditor

#### **NOTES**

- 1. Pursuant to Section 102 of the Companies Act, 2013, an Explanatory Statement setting out material facts and reasons for the proposed special business is annexed herewith.
- 2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. A blank proxy form is enclosed herewith.

-

3. The route map of the venue of the meeting is also annexed.



#### TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED

TCIL BHAWAN, GREATER KAILASH - I, NEW DELHI – 110048. CIN: U74999DL1978GOI008911

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

#### ITEM NO. 4 APPROVAL OF REMUNERATION PAYABLE TO COST AUDITORS.

In accordance with the provisions of Section 148 of the Companies Act, 2013, your Company is required to appoint Cost Auditors to conduct audit of Cost Records of the Company. As per Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a Cost Accountant in practice or a firm of Cost Accountants in practice as Cost Auditors on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost audit and the remuneration so recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified subsequently by the Shareholders.

Accordingly, the Board of Directors in their 242<sup>nd</sup> meeting held on 26.08.2019 have appointed M/s Sanjay Gupta & Associates as Cost Auditors at a remuneration of Rs.80,000/- plus applicable taxes thereon, on the recommendations of the Audit Committee. Now, the remuneration payable to M/s Sanjay Gupta & Associates is to be ratified by the Shareholders.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the passing of this Resolution. The relevant documents are available for inspection by the members during working hours in the registered office of the Company.

The Directors recommend the aforesaid resolution for approval by Members as an Ordinary Resolution.

By order of the Board

(RASHMI CHAWLA) DEPUTY COMPANY SECRETARY

New Delhi Date: 06.09.2019



#### TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED

TCIL BHAWAN, GREATER KAILASH - I, NEW DELHI – 110048. CIN: U74999DL1978GOI008911

#### NOTICE OF THE ADJOURNED ANNUAL GENERAL MEETING

Notice is hereby given that the 41<sup>st</sup> Annual General Meeting of the members of the Company adjourned sine die from 30<sup>th</sup> September, 2019 will be held on Wednesday, the 20<sup>th</sup> November, 2019 at 12 PM in TCIL Bhawan, Conference Room, Greater Kailash I, New Delhi – 110048 to transact the following business:-

#### **Ordinary Business**

- To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements consisting of Balance Sheet, Statement of Profit & Loss and Cash Flow Statement for the year ended 31st March, 2019 together with the Board's Report, Auditor's Report thereon and Comments of Comptroller & Auditor General of India and reply of the Management thereto.
- 2. To declare dividend for the financial year 2018-19.
- 3. To authorize the Board of Directors to fix Remuneration of the Statutory Auditors for the year 2019 -20.

#### **Special Business**

#### 4. APPROVAL OF REMUNERATION PAYABLE TO COST AUDITORS.

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Rule 14 of the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs.80,000/- plus applicable taxes thereon payable to M/s Sanjay Gupta & Associates, Cost Auditors appointed by the Board of Directors of the Company on the recommendations of the Audit Committee, to conduct the audit of the cost records of the Company for the financial year 2019-20, be and is hereby ratified.

**FURTHER RESOLVED THAT** the Deputy Company Secretary of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**(8)** 

By order of the Board

(RASHMI CHAWLA) DEPUTY COMPANY SECRETARY

New Delhi Date: 13.11.2019

To

- 1. All Members of the Company
- 2. Statutory Auditors
- 3. Secretarial Auditor
- 4. Cost Auditor

#### NOTE REGARDING ADJOURNED ANNUAL GENERAL MEETING

The Standalone and the Consolidated Audited Financial Statements for the year ended March 31, 2019 could not be considered by the members at the 41<sup>st</sup> Annual General Meeting originally held on September 30, 2019, since the comments of the Comptroller and Auditor General (C&AG) on the Consolidated Audited Financial Statements in terms of the provisions of Section 143(6) of Companies Act, 2013 were not received.

At the said meeting, without considering any agenda items, the members resolved to adjourn the meeting sine die to be reconvened after receipt of the comments of the C&AG. The Company simultaneously had applied to the Registrar of Companies (ROC) seeking extension of time of three months for convening the adjourned Annual General Meeting pursuant to the provisions of Section 96 of Companies Act, 2013 and the ROC has granted extension of three months' time, i.e. upto 31.12.2019 to convene the said adjourned Annual General Meeting.

The Comments of the C&AG on the Audited Financial Statements have since been received and a copy of the same along with the reply to the Audit observations is enclosed to this notice. Now the adjourned 41st Annual General Meeting is being re-convened to consider the following Agenda items.

- To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements consisting of Balance Sheet, Statement of Profit & Loss and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2019 together with the Board's Report, Auditor's Report thereon and Comments of Comptroller & Auditor General of India and reply of the Management thereto.
- 2. To declare dividend for the financial year 2018-19.
- 3. To authorize the Board of Directors to fix Remuneration of the Statutory Auditors for the year 2019 -20.
- 4. Approval of remuneration payable to Cost Auditors.

The Annual Report for the year containing the Standalone & Consolidated Audited Financial Statement and other statutory annexure required to be laid before the members at the Annual General Meeting (except the comments of the C&AG on the Consolidated Annual Financial Statements, which is being sent now), have already been sent to the members and others entitled to receive the same along with the notice of the 41st Annual General Meeting dated 06.09.19 sent earlier, either in physical form or through e-mail (As applicable). The said Annual Report is also available on the website of the company: www.tcil-india.com

However, if any member is desirous of getting a copy of the Annual Report in physical form or electronic form, may write to the Company.

In terms of the provisions of Standard No. 15.2 of 'Secretarial Standard on General Meeting (SS-2)' issued by the Institute of Company Secretaries of India, a fresh notice in terms of the provisions of Companies Act, 2013 is being given for this adjourned meeting since the meeting was adjourned sine die.

#### **OTHER NOTES**

- 1. Pursuant to Section 102 of the Companies Act, 2013, an Explanatory Statement setting out material facts and reasons for the proposed special business is annexed herewith.
- 2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. A blank proxy form is enclosed herewith.

3. The route map of the venue of the meeting is also annexed.



#### TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED

TCIL BHAWAN, GREATER KAILASH - I, NEW DELHI - 110048. CIN: U74999DL1978GOI008911

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

#### ITEM NO. 4 APPROVAL OF REMUNERATION PAYABLE TO COST AUDITORS.

In accordance with the provisions of Section 148 of the Companies Act, 2013, your Company is required to appoint Cost Auditors to conduct audit of Cost Records of the Company. As per Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a Cost Accountant in practice or a firm of Cost Accountants in practice as Cost Auditors on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost audit and the remuneration so recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified subsequently by the Shareholders.

Accordingly, the Board of Directors in their 242<sup>nd</sup> meeting held on 26.08.2019 have appointed M/s Sanjay Gupta & Associates as Cost Auditors at a remuneration of Rs.80,000/- plus applicable taxes thereon, on the recommendations of the Audit Committee. Now, the remuneration payable to M/s Sanjay Gupta & Associates is to be ratified by the Shareholders.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the passing of this Resolution. The relevant documents are available for inspection by the members during working hours in the registered office of the Company.

The Directors recommend the aforesaid resolution for approval by Members as an Ordinary Resolution.

By order of the Board

(RASHMI CHAWLA) DEPUTY COMPANY SECRETARY

New Delhi Date: 13.11.2019



#### FORM NO. MGT-11 PROXY FORM

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

Nam	e of the Company	:
Regis	stered Office	:
Nam	e of the member(s)	:
Regis	stered address	:
E-ma	il Id	:
Folio	No./Client Id	:
DP I	D	:
I/we,	being the member (s) of	Shares of the above named company, hereby appoint
1.	Name:	
	Address:	
	E-mail ID:	
	Signatures:, o	r failing him
2.	Name:	
	Address:	
	E-mail ID:	
	Signatures:	

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 41st Annual General Meeting (Adjourned) of the company, to be held on 30th September 2019 at TCIL Bhawan, Conference Room, Greater Kailash I, New Delhi – 110048 and at any adjournment thereof in respect of such resolutions as are indicated below:

#### **RESOLUTION NO. 1**

**CIN** 

To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements consisting of Balance Sheet, Statement of Profit & Loss and Cash Flow Statement for the year ended 31st March, 2019 together with the Board's Report, Auditor's Report thereon and Comments of Comptroller & Auditor General of India and reply of the Management thereto.

#### **RESOLUTION NO. 2**

To declare dividend for the financial year 2018-19.

#### **RESOLUTION NO. 3**

To authorize the Board of Directors to fix Remuneration of the Statutory Auditors for the year 2019 -20.

#### **RESOLUTION NO. 4**

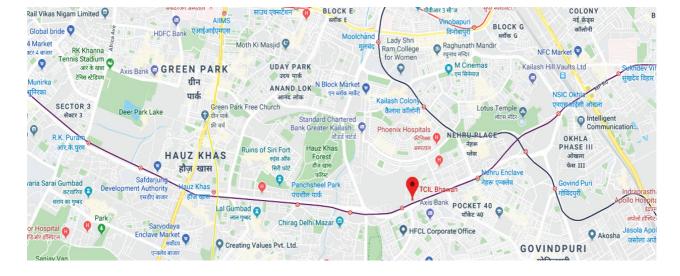
To consider and, if thought fit, to pass with or without modification as Ordinary Resolution in connection with ratification of Remuneration payable to Cost Auditors.

-

Signed this	day of September, 2019.	
Signatures of shareholder		Affix Revenue
		Stamp

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

### Route map of the venue of the meeting





Dear Shareholders,

I welcome you all on the occasion of 41st Annual General Meeting of your company, I thank you for joining us today. Your presence is indeed a true testimony to your involvement and concern for the Company. It is my pleasure to present the 41st Annual Report of your Company for the financial year 2018-19 along with highlights of achievements of the company, the Audited Annual Accounts, Board's Report, Independent Auditor's Report and Comments of C&AG and reply of the management thereto. The copies of the same have already been circulated to you. With your kind permission, I take them as read.

#### THE ECONOMY AND INDUSTRY

Let us first discuss about Industry scenario and the economic environment before taking up the Financial Performance of the company.

The Financial Year 2018-19 was another eventful year for the telecom industry, wherein it has witnessed exponential growth primarily driven by affordable tariffs, wider availability, roll out of Mobile Number Portability ('MNP'), expanding 4G coverage, evolving consumption patterns of subscribers and a conducive regulatory environment. The number of internet subscribers in the country is expected to double and overall IP traffic is expected to grow 4-fold by 2021

The role of telecom companies is now about creating an ecosystem of digital services (music, content, payments and much more) and leveraging data, network, and distribution assets to deliver these services. The arrival of ultra-fast 5G wireless broadband technology, would ring in an era of interconnected smart devices on a massive scale that would help unlock the transformational impact of machine to machine (M2M) and internet of things (IoT) technologies for citizencentric services in India.

The government has also fast-tracked reforms in the telecom sector and continues to be proactive in providing room for growth for telecom companies.. The Indian Government is planning to develop 100 smart city projects, where IoT would play a vital role in development of those cities.

TCIL continues to leverage innovation in technology, adapting to new age developments to facilitate a future that is digital and secure. With our pro-active approach to innovation, your Company is at the forefront of this transformation.

#### PERFORMANCE HIGHLIGHTS

TCIL maintained a healthy growth momentum in financial parameters too. Your Company has achieved a Turnover of Rs. 16,222 Million during the year 2018-19 as compared to the previous year Turnover of Rs. 12,608 Million. The Profit after Tax of your Company was Rs. 439 Million as against



previous year's figure of Rs. 461 Million inspite of NIL Dividend from JV Company, BHL as against Rs. 204 Million received in previous year.

#### **DIVIDEND**

This year, your Board has recommended payment of Dividend of 40% of the Profit after Tax subject to your approval at the Annual General Meeting.

#### **PROJECTS**

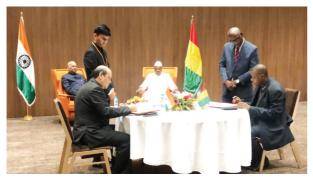
During the year, TCIL has been awarded VSAT project by Bharat Broadband Network Limited (BBNL) for providing backhaul connectivity to 5000 Gram Panchayats under BharatNet Project Phase-II valuing Rs. 2,566.90 Million.

Your Company is executing the NFS OFC Defence Network Project spread over states of Uttarakhand, Rajasthan and UP covering a total area of around 9500 km under various Army commands. Commissioning of the project is expected to be completed by December, 2019 barring some OFC Links where work is held up due to reasons beyond the control of TCIL.

In 2018-19, TCIL bagged the project of Supply, Installation, Commissioning, Operation and Maintenance of 12050 Hotspots at Rural BSNL's Exchanges & associated WiFi Access System at three Wireless LAN Controllers Locations (WLCs) (Pune-1, Bangalore & Chennai) valuing Rs 1,968.82 Million

Your Company is also successfully executing the OFC Network project for Indian Navy valuing Rs. 5558.2 Million inclusive of all taxes. Execution work is in progress at all the stations. Approx 1800 Km of works is completed. 25 stations are complete and 10 stations are commissioned. Cable A/T is in progress at some stations.

In addition, your Company has also bagged e-VBAB (e-Vidyabharati and Aarogyabharati) Network Project, as



TCIL's Director (Technical) Sh. Kamendra Kumar signed and exchange the country agreement for e-VBAB Network Project in the presence of Hon'ble President of India Shri Ram Nath Kovind and the Hon'ble President of Republic of Guinea Mr. Alpha Conde.

extended Phase-2 of Pan African e-Network Project (PAeNP), to continue providing Tele-Education and Tele-Medicine services from elite Indian Universities and Super Specialty Hospitals to African nations using Internet as transmission media. TCIL had already successfully executed phase-1 of PAeNP from 2008 to 2017.

TCIL has also been awarded the project of establishment of Information & Communication Technology (ICT) Labs with smart class room in 190 schools under Rashtriya Madhyamik Shiksha Abhiyan (RMSA), Jammu & Kashmir.

In addition to above, TCIL has been engaged for the implementation of the following ICT@School Projects on Build, Own, Operate and Transfer (BOOT) Basis:

- (a) in 500 Secondary Schools of Uttarakhand valuing Rs. 1027.40 Million.
- (b) in Government and Government Aided Higher Secondary Schools across the State of Odisha
- (c) in 1110 Government and Government aided Schools of Delhi.

Civil Wing of TCIL is executing the following esteemed projects:

- Construction of Sainik School, Indian Institute of Information Technology (IIIT), Trauma Centres, Data Centre, Sports Complex and Tourism circuit at various locations in BTC area Kokrajhar, Assam valuing Rs 6,200 Million.

- Construction of various building works at Shillong Airport, Meghalaya & Tezu Airport, Arunachal Pradesh for Airport Authority of India having a construction cost of Rs 650 Million.
- Construction of Rural Electrical Corporation world head quarter at Gurugram, Haryana valuing Rs 5,000 Million.

TCIL is executing a rural ICT-Hardware (RH) Project for Department of Posts, on a lease model of Build Own & Transfer (BOT) basis. Approximately 93% of the supplies have been completed in the entire project.

In KSA, the company has been entrusted with prestigious National Broad Band (NBB) project, FTTH work by DAWIYAT, a subsidiary company 100% owned by Saudi Electricity Company (SEC). The value of work done in the year 2018-19 was Rs 4597 Million, which is the highest turnover from any foreign project till date.

TCIL Kuwait Branch is continuously winning and implementing Telecommunications Turnkey and Maintenance Projects since about 40 years. TCIL Kuwait has been a major contractor of the Ministry of Communications, Kuwait since 1978 for Construction and Maintenance of Telecommunications Networks and other prestigious clients

TCIL has also executed many prominent projects abroad and has earned commendable appreciation in those countries. The total revenue earned from foreign projects during the year was Rs. 6,195 Million.

Apart from above, there are many other prestigious projects in the bag of TCIL, the details of which have been given in the Board's Report.

#### **MOU RATING**

This year, the company is expected to get 'Very Good' Rating in its evaluation under MOU.

#### **FUTURE PLANS**

TCIL has thrived globally by building a culture of innovation and high performance. TCIL's strength lies in its quick adaptability to the rapidly changing demands of the market. TCIL is recognized as a preferred implementation partner as is evident from our repeat orders with various country governments and also in country with the Ministry of External Affairs. TCIL's trademark is its quality conscious work. TCIL is now focusing on the new frontiers of Artificial Intelligence, Cyber Security, Cyber Cities and more. Some of the areas which we are looking forward to concentrate in the coming years are as follows:

To focus on e – Networks including Health, Education,
 Disaster management, Homeland security, Green
 Telecom and Cyber security

- To diversify into Smart Cities and Smart Buildings.
- To provide cost effective eco friendly network technologies for building new Telecom & IT networks and upgrade legacy networks.
- To execute O&M contracts in the IT and Telecom fields by utilising TCIL's expert technical manpower.
- To develop Telecom & IT training infrastructure abroad.
- To aggressively participate in Digital India programme including e-Governance, m-Governance and Broad Band Highways
- To provide managed services including Software as service to Government and MSME Segment.
- To aggressively move forward in power sector, particularly the new and renewable energy.
- To carry out project management of Infrastructure projects including Highways, Building and Power projects.
- To facilitate Project Management Unit (PMU) setup for implementation of large value projects.
- IoT, blockchain, M2M, big data, AR/VR and artificial intelligence.
- Focus on Broadband Multimedia Convergent Service Networks
- Green Telecom, 5G Networks and ICT Development.
- Business in Rail segment such as Railway signaling Projects, Video surveillance at Railway Stations, GSM - Rollout etc.

TCIL has already opened its subsidiary in USA and exploring business opportunities in the Balkan Countries including Macedonia etc. and CLMV (Cambodia Laos, Myanmar, Vietnam) Countries.

During the year, the Government of India decided to disinvest 25% of its stake in TCIL. However, in order to meet the working capital requirements of TCIL, it was proposed to come up with the IPO, wherein 15% of the Government of India's shareholding in TCIL post IPO shall be disinvested and thus TCIL shall simultaneously raise funds from the Capital market by issue of fresh equity of 10% post issue capital. Accordingly, GOI would offload 98,66,667 equity shares plus the shares to be reserved for the employees of TCIL through IPO and TCIL will issue 65,77,778 equity shares. The matter is pending for cabinet approval.

#### **CORPORATE GOVERNANCE**

The Corporate Governance structure of the Company is multi-tiered, comprising of Board of Directors at the apex level and various committees, which collectively ensure highest standards of Corporate Governance and transparency in the Company's functioning.

The Board exercises independent judgment in overseeing management performance and plays a vital role in the management of the Company. The Board is chaired by the Executive Chairman, who is responsible for the overall strategy development, alliances, leadership development, international opportunities, strengthening governance practices and enhancing brand value and the company's global image and reputation. The Board has complete access to all the relevant information within the Company and to all the employees of the Company.

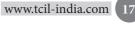
TCIL has laid down a well-defined Code of Conduct for all the Board Members and Senior Management Personnel of the Company, who affirm its compliance. The Corporate Governance framework of TCIL envisages continuous commitment to ethical business principles across its operations, lays down the best practices and the procedure adopted by the Company in line with Government of India's directives for implementation of Corporate Governance Norms for the Unlisted CPSEs and internationally followed standards of corporate governance.

#### CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of the Companies Act, 2013, TCIL is not required to undertake CSR Activities in 2018-19 as the company does not fall under the criteria prescribed under CSR Rules. However, as a gesture of good governance and considering that the company is doing CSR activities since 2010, it was decided to continue with the same.

TCIL had laid a balanced emphasis on all aspects of corporate social responsibility and sustainability with regard to its internal operations, activities and processes, as well as undertaken initiatives and projects to facilitate capacity building, empowerment of communities, inclusive socioeconomic growth, environment protection, promotion of green and energy efficient technologies, development of backward regions, and upliftment of the marginalized and under-privileged sections of the society.

During the year 2018-19, CSR project of Skill development through Telecom Sector Skill Council, Supply and Installation of Smart classroom equipment at Haridwar, Uttarakhand, Supply and Installation of safe drinking water system equipment were undertaken. Also, TCIL contributed some portion of its CSR Fund to Swachh Bharat Kosh. Contribution was also made to a start-up for project feasibility study and prototype development of technology to capture and transmit brake discs engagement / disengagement on actuation for two coaches of (LHB) of



Indian railways through image based data and applying data analytics /AI technologies.

#### **ACKNOWLEDGEMENT**

TCIL continues to improve and evolve consistently fostering an entrepreneurial mindset across the organisation. Overall, the company delivered yet another year of robust performance achieving remarkable success I would like to express my sincere gratitude and acknowledge the assistance, support and guidance extended by the Government of India, Department of Telecommunications, Digitial Communication Commission, Comptroller and Auditor General of India, all our valuable clients, Statutory Auditors and Branch Auditors, our Bankers, Exim Bank, ECGC and

other valued stakeholders for their continued co-operation. I would like to thank the entire team at TCIL for their untiring efforts and unflinching commitment to achieve the lofty goals we have set for the company.

In the end, I would like to convey my sincere appreciation to the Board of Directors for their valuable guidance.

Thank you very much.

**Chairman & Managing Director** 

## Make in India

TCIL, as a turnkey project execution and consultancy organization in Telecom and IT visualizes development of solutions for its clients in various sectors of economy covering Telecom, IT, Transport, Health, education, Oil and gas, MSME

# **Digital India**

TCIL with its vast experience in Telecom and IT domain and having project Management organization is well positoned for undertaking Telecom and IT Projects for al sectors of economy such as Telecom, IT, Transport, Health, education, Oil and gas, MSME etc.



# **Skill Building**

Skill Development and Skill building as part of Nation building and Digital India mission has a multi-pronged requirements which includes not only the skill development in IT and Telecom, but as well it requires the development of skills in all sectors of economy which includes education, health, MSME, oils, gas, transport etc.



## **Swachh Bharat**

TCIL has developed a Telecom and IT based solutions for the monitoring and management of River water within the framework of Swatch Bharat Program which can provide an effective and efficient control for maintain a clean environment.



Your Directors are pleased to present the 41st Annual Report together with Audited Financial Statements for the year ended 31st March 2019.

#### 1. FINANCIAL HIGHLIGHTS

The important financial highlights for the year 2018-19 are as under:

(Rs. in Million)

DA DELCHIA DO	CONSOLIDATED		STANDALONE	
PARTICULARS	2018-2019	2017-2018	2018-2019	2017-2018
Turnover including Other Income	16,342	12,719	16,222	12,608
Profit before Tax	(1,481)	(80)	669	599
Provision for Tax	230	139	230	139
Profit after Tax	(1,711)	(218)	439	461
Profit available for appropriation	(1,631)	(145)	439	461
Appropriation : Dividend	184	71	184	71
Dividend Tax	38	14	38	14
Interim Dividend		-		-
Tax on Interim Dividend		-	-	-
Transfer to General Reserve	217	376	217	376
Net Worth	22,044	24,022	6,271	6,179

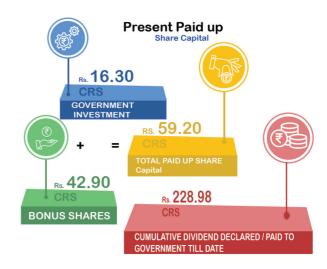
#### **DIVIDEND AND TRANSFER TO RESERVES**

Subject to the approval of the Members at the Annual General Meeting, the Board of Directors of your company recommends payment of Dividend of 40 % of the Profit after Tax for Financial Year 2018-19.

An amount of Rs. 217 Million has been transferred to General Reserve and Comprehensive loss of Rs. 125 Million to other Comprehensive income in the year 2018-19.



CMD, TCIL handling over the Dividend cheque to Hon'ble Minister of Communication



#### YEAR IN RETROSPECT - STANDALONE **TCIL OPERATIONS**

Your Company has achieved a Turnover of Rs. 16,222 Million during the year 2018-19 as compared to the previous year Turnover of Rs. 12,608 Million. The Profit after Tax of your Company was Rs. 439 Million as against previous year's figure of Rs. 461 Million.



"To excel and maintain leadership in providing Optimal solutions on Turnkey basis in Telecommunications and Information Technology Service Sector globally and to diversify by providing excellent infrastructure facilities particularly in the high tech areas."

# 5. ROAD AHEAD TCIL continues to bridge technologies on the information highway. During the year, TCIL looks forward to venture in following new areas: Cyber Security, Artificial Intelligence, VR/AR, Services and Fiber rollout in Bharat Broadband New lines of technology like Carrier-Grade WiFi Enabling, next-gen voice services with Voice over LTE (VoLTE), Connecting the Internet of Things (IoT), Integration with Content etc. Smart cities & Smart Application, Homeland security 03 projects and Integrated Private Security Projects **Next Generation Wireless** Services like 5G, VOIP, VOLTE, Mobile applications in rural Business in Rail segment such as Railway signaling Projects, Video surveillance at Railway Stations, GSM – Rollout, Fiber laying etc. VAS (Value Added Services) to be offered in areas 06 like logistics, infotainment, office management. TCIL is exploring opportunities in the fields of Defence security, cyber security, training through strategic tie up with reputed India & Global Companies. TCIL has already incorporated a subsidiary in USA named, TCIL USA Inc for Fibre infrastructure and IT Projects and has set up a

branch office in Macedonia and Qatar also.

#### 6. MAJOR PROJECTS UNDER EXECUTION

#### i) Domestic Projects

# 6.1 BBNL VERY SMALL APERTURE TERMINAL (VSAT) PROJECT

TCIL has been awarded a Turnkey project by Bharat Broadband Network Limited (BBNL) for Supply, Installation, Testing, Commissioning, Comprehensive AMC of Gateway baseband equipment and VSAT equipment for Satellite based Communication Network of BBNL for providing backhaul connectivity to 5000 Gram Panchayats under BharatNet Project Phase-II including Operation of Gateways. The order value is Rs. 2,566.90 Million. The scope covers warranty for 2 years from the date of commissioning and CAMC of 6 years after completion of warranty.

This satellite based network shall be established through two satellites namely GSAT-19 and GSAT-11 of ISRO

Baseband Rack installed and powered on, at Ranchi Gateway Station

having Gateway Stations at Ahmedabad and Ranchi respectively.

# 6.2 COUNTRY WIDE OPTICAL FIBER NETWORK PROJECT FOR DEFENCE

TCIL has bagged the Contract from BSNL for Procurement, Supply, Trenching, Laying, Installation, Testing and Maintenance of Optical Fiber Cable, Permanently Lubricated (PLB) Duct and Accessories for construction of exclusive optical NLD backbone and Access routes for Defence Network. The work was awarded on turnkey basis for setting up of the Optical Fibre Cables (OFC) Network for Defence installations in the States of Uttarakhand, Rajasthan and Uttar Pradesh covering a total route length of around 10,000 km. The scope of work includes design of cable network after detailed survey, supply of material, ducting, laying and termination of optical fiber cable, commissioning of the exclusive optical fiber cable network system followed by 3-year warranty and 7-year AMC services. Total value of



Fibre optic laying work in narrow hilly area in Defence Project

the work is around Rs. 20,000 Million. Commissioning of the project is expected to be completed by December, 2019 barring some OFC Links where work is held up due to reasons beyond the control of TCIL.

6.3 SUPPLY, INSTALLATION, COMMISSIONING, OPERATION AND MAINTENANCE OF 12050 HOTSPOTS AT RURAL BSNL'S EXCHANGES & ASSOCIATED WIFI ACCESS SYSTEM AT THREE WIRELESS LAN CONTROLLERS LOCATIONS (WLCS) (PUNE-1, BANGALORE & CHENNAI) ON TURNKEY BASIS.

TCIL has received work orders for Rs 1,968.82 Million for BSNL's WiFi Project funded under (Universal Service Obligation Fund) USoF.

The project covers the following areas:

- Supply Installation & commissioning with Operations and Maintenance of WLC access system and WiFi Hotspots in Rural BSNL's exchanges.
- Supply Installation & commissioning with Operation of Element Management System and Centralized Monitoring & Management System for all the WiFi Hotspot, WLCs devices and associated networking and power equipments.
- WLC devices have to be installed at three central locations at Chennai, Bangalore and Pune to manage all the WiFi Hotspots installed in 12050 rural BSNL's exchanges of Kerala, Tamil Nadu, Telangana, Andhra Pradesh, Karnataka, Chhattisgarh, Madhya Pradesh and Maharashtra.

#### 6.4 GIS BASED OFC NETWORK FOR INDI AN NAVY

BSNL has awarded the work valuing Rs. 5558.2 Million inclusive of all taxes on 22<sup>nd</sup> July'2015. The work involved "Procurement, Supply, Trenching, Laying, Installation, Testing and Maintenance of OFC, PLB duct, Accessories, Optical Inventory Tool, Fibre Monitoring System, Fibre Intrusion Prevention System for Construction of OFC network on turnkey basis for Indian Navy".

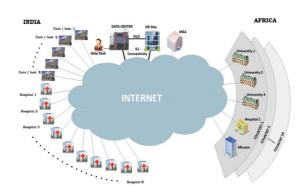
The project aims to rollout 3000 Kms of OFC network to be owned and operated by the Indian Navy, Ministry of Defence (MoD) which shall be monitored by optical monitoring devices FTMS (Fiber Testing Monitoring System) and FIPS(Fiber Intrusion Proof system). The network uses state-of-art technology to ensure completely secured network to Indian Navy. Even some of the systems are being used in Indian Navy for the first time. The OFC network is basically an access overlay network connecting designated Navy buildings, Jetty areas to Naval ships along with providing network connectivity to all campuses of any station. The entire work is distributed among four (4) zones viz. Eastern, Western, Northern and Southern Zone covering 33 nodes consisting of 42 stations in 19 states and 4 UTs. Works are predominantly in rocky/ coastal areas and are in 482 parts.

Execution work is in progress at all the stations. Approx 1800 Km of works is completed. 25 stations are complete and 10 stations are commissioned. Cable A/T is in progress at some stations.

# 6.5 E-VIDYABHARATI AND E-AAROGYABHARATI (EVBAB) NETWORK PROJECT OF MINISTRY OF EXTERNAL AFFAIRS, GOVERNMENT OF INDIA

Your Company has signed agreement with Ministry of External Affairs (MEA), Govt. of India, 10th September 2018, for the implementation of a e-VBAB (e-Vidyabharati and Aarogyabharati) Network Project, as extended Phase-2 of Pan African e-Network Project (PAeNP), to continue providing Tele-Education and Tele-Medicine services from elite Indian Universities and Super Specialty Hospitals to African nations using Internet as transmission media. TCIL had already successfully executed phase-1 of PAeNP from 2008 to 2017.

The e-VBAB Project is fully funded by MEA, GoI and is envisaged to be implemented 9 months followed by 5 years of Operations and Maintenance. Indian Education (Vidyabharati) and Indian Medical services for human well being (Aarogyabharati) under the flagship e-VBAB network project of MEA, is a step towards capacity building in the field of education and medical science for all the 54 African Nations.



e-VBAB Network Project is to provide good quality, effective education/ medical services through web portals to the students/ doctors/paramedical staff in Africa for next 5 years, thereafter on a self-sustaining commercial model to:

- Provide high quality Indian education to African students at their doorstep
- To Provide CME Service and Tele-Consultations Services
- Meet education demands of Africa at affordable cost
- Use of internet, dispersion of mobile network connectivity, artificial intelligence and machine learning to provide personalized learning for African students
- Create a sustainable platform for delivery of education services
- To create brand of the Indian education and medicine services
- To meet the growing needs and requirements of foreign students with special emphasis to African countries.

6.6 ESTABLISHMENT OF INFORMATION & COMMUNICATION TECHNOLOGY (ICT) LABS WITH SMART CLASS ROOM IN 190 SCHOOLS UNDER RASHTRIYA MADHYAMIK SHIKSHA ABHIYAN (RMSA), JAMMU & KASHMIR.

The Rashtriya Madhyamik Shiksha Abhiyan (RMSA), Government of Jammu & Kashmir has proposed to establish Information & Communication Technology (ICT) Labs with Smart Classroom in 190 schools across 11 districts throughout the State. It intends these Labs in high and higher secondary schools for interactive education.

The proposed solution has been developed as a plug and play, all-in-one learning device preloaded with a host of applications including multimedia content, assessments to enhance the learning coefficient of the students. Owing to its compact design, modular setup with any projector, auto power-on and auto calibration function, this unique learning device makes it very simple for the teachers to use in the classroom. It has been consciously designed keeping in mind that many teachers especially in the rural

locations are not proficient with using technology as an education tool.

The scope of work under the project includes setting up of an ICT Labs with Smart Classroom enabled interactive teaching environment in schools using the following:

- 1. Technology aided Classroom equipped with Projector, Interactive computer device, Whiteboard, Bluetooth speakers as per specifications
- 2. Computer aided Education through State Board Curriculum mapped Multimedia Learning Modules for all subjects
- 3. Capacity building of Teachers in using IT Tools for Teaching in the classroom
- 4. Maintaining and up keep of the supplied infrastructure at each location during the project period for 3 years
- 5. After successful commissioning of the project, training will be provided for two days to the teachers to equip them to use the ICT Labs with Smart Classroom for classroom teaching

# 6.7 IMPLEMENTATION OF ICT@SCHOOL ON BUILD, OWN, OPERATE AND TRANSFER (BOOT) BASIS

- (a) TCIL has been engaged as Implementation Agency for the ICT@School project in 500 Secondary Schools of Uttarakhand in BOOT Model valuing Rs. 1027.40 Million. The Scope of Work involves setting up and operating virtual classrooms along with robust learning management system in school of Uttrakhand. The project will involve design, supply, install, integrate (with existing infrastructure), test, commission, operate, maintain and manage the envisage solution necessary for a period of 5 years. The technical solution will have capabilities to work 2 way Seamless as well both online and offline communication system. MoU was signed between TCIL and Govt. of Uttrakhand on 22.05.2019.
- (b) TCIL has been awarded project for "Implementation of the ICT@School Project in Government and Government Aided Higher Secondary Schools across the State of Odisha, for providing Computer Education Services and maintenance of equipment, on Build, Own, Operate and Transfer (BOOT) model" by Odisha Knowledge Corporation Ltd on behalf of Department of Mass Education, ODISHA.

The project has been successfully commissioned in all the schools & is under operation phase.

(c) Department of Education (DOE) Delhi has awarded the project for Supply, Installation and Commissioning of Computer Hardware, Peripherals, Software, e-Content, Connected Accessories, Lab Infrastructures, Maintenance of Equipment and Provision of Computer Education Services in 1110 Government and Government aided Schools of Delhi on BOOT Model under the centrally sponsored ICT scheme. The project has been successfully commissioned in all the schools & is under operation phase.

#### **6.8 DEPARTMENT OF POSTS PROJECT** (DARPAN) FOR SUPPLY, INSTALLATION **AND MAINTENANCE SERVICES** OF HARDWARE, PERIPHERAL DEVICES, **OPERATING SYSTEM AND CONNECTIV-**ITY FOR RURAL INFORMATION & COM-MUNICATION TECHNOLOGY SOLUTION (RH)

TCIL is executing a rural ICT-Hardware (RH) Project for Department of Posts, Ministry of Communications & IT, Government of India on a lease model of Build Own & Transfer (BOT) basis. The Implementation period of the project is 13 months divided into two phases and thereafter Operation and Maintenance services are to be provided for a period of 5 years.

The Project is part of a larger IT modernization being undertaken by the Department of Posts which plans to computerize majority of manual postal department processes so that various applications can run seamlessly across the network.

The Rural ICT project will provide a low power technology solution (ICT Device) to each Branch Postmaster (BPM) which will enable each of approx. 130,000 Extra Departmental Post Offices (EDO's) to improve the quality of service, add value to service and achieve "financial inclusion" of un-banked rural population while taking advantage of the opportunity to increase revenue traffic. The value of the project is Rs. 13617.3 Million.

Actual deliveries have started and as on date phase-1 of the project comprising of 44076 Main Computing Devices including accessories at Divisional Post Offices and 38012 Solar Solution at various Branch Post Offices have been delivered. In phase-II 85347 Main Computing Devices including accessories at Divisional Offices and 41620 Solar Solution at various

Branch Post Offices have been delivered. Approximately 93% of the supplies have been completed in the entire project.

#### 6.9 NATIONAL INTERNET BACKBONE - II PROJECT - 3 (NIB-II, P-3) OF BHARAT SANCHAR NIGAM LIMITED (BSNL)

TCIL has successfully completed the turnkey implementation of various network components required for the NIB- II Messaging and Storage service Platform, operational support system (OSS) and Billing, Security System and EMS in Data Centers in four cities viz. Bangalore (Main), Noida, Mumbai and Pune (Disaster recovery). Total 10M subscriber capacity has been achieved in four stages. Year-1 order implementation for 1.8M, Year-2 order expansion up to 3.2M, 50% Add-on order expansion up to 5M and finally 5M to 10M expansion order up to 10M subscriber base has been done. The Project is presently under AMC till 13.03.2021



NIB Noida Site

#### **IMPLEMENTATION OF** 6.10 **SMART** CLASSROOM, VIRTUAL CLASSROOM AND DIGITAL VIDEO COLLABORATION **PROJECTS**

TCIL is executing projects for implementation of Smart Classroom Solution and Virtual Classroom Solution and School/University MIS in states of Andhra Pradesh, Odisha, Telangana and Delhi. TCIL has implemented the Digital Video Collaboration Project for Kendriya Vidyalaya Sangathan, Delhi to connect 34 locations of KVS across India through video conferencing. TCIL has also signed an MOU with Higher Education Department, Govt. of Odisha for implementation of virtual classroom in 101 colleges.



Smart Classroom and Virtual Classroom Solutions

# 6.11 SUPPLY, INSTALLATION, TESTING & COMMISSIONING OF OFC AND ASSOCIATED EQUIPMENT IN MUGHAL SARAI-KANPUR SECTION OF ALLAHABAD DIVISION, NORTH CENTRAL RAILWAY

TCIL has received the work order of value Rs. 206.7 Million from North Central Railways on 27/05/2019 for 'Trenching, Laying, splicing, jointing, terminating and commissioning of 24 Fibre Underground armoured Optical Fibre Cable and System design, supply, installation, testing & commissioning of Synchronous Digital Hierarchy (SDH) system in Mughal Sarai-Kanpur section of Allahabad Division'

The work primarily consists of supply, installation & commissioning of-

- Synchronous Digital Hierarchy (SDH) network on Kanpur-Mugal Sarai section along with NMS for centralized monitoring of the network.
- OFC works including trenching, laying, termination and testing.
- Training of Railways manpower.
- Civil Engineering work such as masonry, carpentry, painting, writing/labeling etc.
- Final testing and commissioning (Hop wise as well as End-to-End) of the entire Optic Fibre link with NMS & testing equipment.

#### 6.12 INSTALLATION AND MAINTENANCE OF SECURITY AND SURVEILLANCE SYSTEM IN VARIOUS BLOCKS/BUILDING HOUSING OFFICES OF MINISTRY OF DEFENCE, NEW DELHI

TCIL has received LoI of Rs. 769 Million for Installation and Maintenance of Security and Surveillance System in various Blocks/Building housing offices of Ministry of Defence, New Delhi. The project covers the following areas:

- Supply, installation, testing and commissioning of security equipment like CCTV surveillance, Control Room, Network Equipment, Access Control System, Smart Cards, Boom Barrier, Blocking Bollards, Flap Barriers, Under Vehicle Scanning System (UVSS), Automated number Plate Recognition System (ANPRS), Electronic fencing etc
- Operations and Maintenance Phase (7 Years)

#### 6.13 TELECOM CONSULTANCY

The Telecom Consultancy Projects undertaken by the TCIL during the year include:

- (a) Development of last Mile Connectivity and Early Warning Dissemination Solution for the state of Kerala under NCRMP II. (Client SPIU, Govt. of Kerala) Work value Rs 14.6 Million plus GST. (Duration 16 months)
- (b) Environment Impact Assessment (EIA) study and Coastal Regulatory Zone (CRZ) clearance for Chennai Andaman Nicobar Islands (CANI) submarine cable project (Client USOF, DoT) Work Value Rs 35.8 Million plus GST. (Duration 8 months)
- (c) Third Part Audit for BharatNet II project of Gujarat State (Client – GFGNL) Work Value – Rs 400 Million plus GST (Duration – 16 months)
- (d) Third Part Audit for BharatNet II project of Maharashtra State (Client – MahaIT) Work Value – Rs 300 Million plus GST (Duration – 16 months)
- (e) Supply, installation and Commissioning of IRS based DSS to Govt. of Odisha. Order Value Rs 200 Million plus GST During the year, significant Achievements for ongoing and new projects of Telecom Consultancy Group included the following:
- 1. The Odisha, Early warning and dissemination

system (EWDS) project under National Cyclone Risk Mitigation Project (NCRMP) Ph I was successfully commissioned after Acceptance Testing entered O&M phase from 15th March 2019. The EWDS solution devised by TCIL was used successfully during Titli and Fani cyclones to send alerts to the coastal population thereby helping the state authorities to save lives.



Alert Siren for NCRMP Project

- The Technical Design Report for the EWDS Consultancy under NCRMP Ph II states were submitted to the respective states [Goa, Maharashtra, Karnataka and Kerala] and accepted by the clients.
- The tender documents for above were also prepared and submitted to clients.
- The Detailed Project Report (DPR) for submarine Optical Fiber Connectivity of Lakshadweep was submitted to client in October 2018.
- The Coastal Regulation Zone (CRZ) clearance for Chennai-Andaman Nicobar Islands (CANI) project was granted by Ministry of Environment and Forest (MoEF) on 21st Dec 2018.

The IRS based DSS software was supplied and installed for Odisha Govt. and a seminar for all district level officials was conducted on 25th March 2019 at Bhubaneswar.

#### 6.14 SUPPLY CUM WORK ORDER FOR **NETWORK EQUIPMENT PGI** AT **CHANDIGARH**

Recently, TCIL has been awarded the project of Supply, installation and commissioning of network equipments at Data Centre PGIMER Chandigarh and also integration with the existing network infrastructure. TCIL will supply network equipments like switches, firewall, load balancer, NMS, NAC, Rack etc. The project includes warranty of 5 years for the products supplied under the contract with 95% uptime SLA. After warranty, 2 years AMC is also in the scope. The Value of project is Rs. 75.49 Million approx.

#### CRIME & CRIMINAL TRACKING NETWORK SYSTEMS (CCTNS) PROJECT

Ministry of Home Affairs (MHA), GoI has conceptualized CCTNS as a Mission Mode Project under National e-Governance Plan towards enhancing productivity/ outcome in areas of Crime Investigation, Criminal detection and improving efficiency of Policing through creation of a nationwide Network Infrastructure for evolution of IT-enabled state-of-the-art system delivery for Policing. CCTNS project implementation started in all 29 States & 7 UTs of India with an initial contract period of 3 years in Phase-I. Subsequently, the project implementation period has been FY 2019-20 with proposed various extended for additional Citizen centric services to be rolled out including O&M period up to 2022 by MHA, GoI. TCIL is monitoring and managing CCTNS projects as State Program Management Consultant (SPMU) in Jammu & Kashmir, Himachal Pradesh, Jharkhand, Chhattisgarh & Meghalaya.

Interoperable Criminal Justice System (ICJS): ICJS has been developed to provide an Online integrated Management Information System (MIS) by inter-linking data from Courts, Police, Prisons and Forensic Laboratories with the basic objective of improving the Justice Delivery System. All the stakeholders have online and instant access to data available in different software applications thereby reducing the access time normally consumed in manual exchange of documents/ information amongst related Departments.

For implementation of Interoperable Criminal Justice System (ICJS) in CCTNS Phase-II, a Dashboard of

National Database with ICJS components such as: Police, e-Courts, Fingerprint, Forensics, Prison & Prosecution has been envisaged and ICJS implementation is being monitored by Hon'ble Supreme Court. Being a Mission-Mode Project (MMP) with Pan-India impact, the project is closely monitored / reviewed by PMO & Cabinet Secretariat through e-Samiksha (PRAGATI).

#### **6.16 EPABX:**

EPABX unit has successfully installed and commissioned the EPABX system of the following clients:

- Dr. Ram Manohar Lohia Hospital
- 2. Ministry of External Affairs, South Block and Jawaharlal Nehru Bhawan.
- 3. State Trading Corporation of India Ltd., Jawahar Vyapar Bhawan.
- 4. Indian National Science Academy, ITO, Bahadur Shah Zafar Marg
- 5. NDMC, Vidyut Bhawan, Abdul Kalam Road Currently the systems are under Maintenance.

Apart from this, division is also executing the following projects:

- 1. Facility Management Support (FMS) for Audio Video Equipments installed in the various meeting / conference rooms of Ministry of External Affairs, Jawaharlal Nehru Bhawan.
- 2. Assessment and Facilitation of Collection of Revenue for Uttarakhand Building and Other Construction Workers (UKBOCW) Welfare Board Uttarakhand for approximately 1000 sq km in four districts of Dehradun, Haridwar, Udham Singh Nagar and Nainital.

# 6.17 LAWFUL INTERCEPTION AND MONITORING

Lawful Interception and Monitoring (LIM) System is a call monitoring solution that enables Lawful Enforcement Agencies (LEA) like Delhi Police, NIA, CBI etc. to record and stores Call Contents (CC) and Call Related Information (CRI) of target numbers.

TCIL has also successfully installed and commissioned the Lawful Interception and Monitoring (LIM) system of BSNL, Delhi Police, National Investigation Agency (NIA), Central Bureau of Investigation, Bihar Police and Chandigarh Police and the same is under Maintenance.

#### 6.18 TURNKEY PROJECT FOR SETTING UP

#### WAN IN CCL ON RENTAL BASIS FOR 5 YEARS

TCIL has implemented the project of Supply, Installation, commissioning and Integration of WAN in Central Coalfields Limited (CCL) Command areas spread in 11 coal field areas & 6 central units through MPLS connectivity with CCL HQ using Radio networks, OFC, VSATs and LAN on rental basis for 5 years including Operations and Maintenance (O&M) of entire network, up-gradation of capacity and augmentation/ additions of new sites, wherever required. The value of Project is Rs 366 Million. The project is in operation phase.

# 6.19 RENOVATION OF SITUATION ROOM, SOUTH BLOCK, MEA

Your company has been appointed as Turnkey Execution Agency for Renovation of the Situation Room at South Block, MEA. It will be equipped with advanced communications equipments which allows the officers to communicate with different units/offices and individuals globally. It includes functionality with state-of-art tools to provide best visualization infrastructure in the Situation Room. Equipments includes Sate-of-Art multi channel seamless Video Display and Control System, Multimedia Projector, Voice Communication solution, Video Conferencing solution, Audio Solution, Civil works and furniture.

# 6.20 PROCUREMENT AND INSTALLATION OF CCTV SOLUTION FOR VARIOUS MILITARY STATIONS IN EASTERN COMMAND

TCIL has been awarded a turnkey project for procurement and installation of CCTV solution for various military stations in Eastern Command. The project will be implemented in four clusters. Cluster 2 has been allotted to TCIL. The value of the project is Rs 73.97 Million. Items at every location include Bullet Camera, Switch, NAS, PC, Display Panel and other commissioning items.

# 6.21 CCTV SURVEILLANCE SYSTEM IN SHYAM LAL COLLEGE CAMPUS DELHI

Your company has successfully supplied, installed and commissioned CCTV surveillance system in Shyam Lal College Delhi. Total 53 numbers of cameras have been installed along the campus perimeters, entry/exit gate, Class room corridors, play ground, canteen, library and other sensitive locations. System is now under warranty period of one year.

#### 6.22 E-CHALLAN SYSTEM (MAHARASHTRA **HIGHWAY POLICE**)



E-Challan System (Maharashtra Higway Police)

The traffic police have introduced the CCTV-enabled e-Challan system in an attempt to eventually curb the rising number of road accidents in India. A CCTV camera continuously records footage of the ongoing traffic. If a motorist breaks any traffic rule, the act will be recorded in the footage. The police will try to extract the number from the vehicle's screen-shot captured from the CCTV footage and the offense will be registered in the records.

The traffic police will be then coordinate with the Regional Transport Office (RTO) to find the details of the vehicle and its owner. Details like the name and address of the vehicle owner, make and model of the vehicle, etc. As soon as they receive the details, an SMS will be sent on the registered phone number of the violator. This SMS will contain the time, date and location of the offense.

In this endeavor, TCIL has received a project from Maharashtra Highway Police, which is not based on CCTV, but traffic police has been linked to a Point of Sale (POS) mobile device, so that anyone's offence and respective challan can be monitored centrally online and the information about all the challans can be obtained immediately. The amount of challan can also be credited immediately online. This five year project is running successfully in Maharashtra.

#### 6.23 WIRELESS INFRASTRUCTURE

During the year, your company's Wireless Infrastructure division has executed the following Projects as under:

1. Turnkey Implementation of Professional Mobile Radio Communication System (TETRA Digital Communication System) for Kannur Airport: TCIL was awarded the project for Turnkey Implementation of Professional Mobile Radio Communication System (TETRA Digital Communication System) for Kannur Airport valuing approx Rs 29.8 Million which is under execution.

- 2. Project Management Consultancy for Govt. of NCT of Delhi's Project "Secured Communication Network (TETRA)": Your Company has been successfully providing its Project Management services to Govt. of NCT of Delhi for the execution of the TETRA Project since more than 10 years. This TETRA Network is only one of its kind implemented in the entire country for such a large Metro city like Delhi. It is the most important communication backbone of Delhi Police for maintaining law and order in Delhi. The yearly revenue of the Project is approx Rs 14.98 Million.
- 3. Project for providing IBS solutions: Your company has successfully deployed wireless in Building Solution(IBS) for improving GSM 3G, 4G network coverage of radio signals of mobile telephone service operators like Airtel, Vodafone, Idea, MTNL, Reliance Jio, Tata etc. of Delhi inside the building and campus of AIIMS Delhi. The Project is continuously working under successful operation with yearly revenue of approx. Rs 5 Million.
- 4. UPNEDA solar power project : The Project involves design, supply, installation & commissioning with 5 years comprehensive warranty maintenance of Solar PV Power Packs in 10143 Lohiya avas and other awas of Uttar Pradesh. TCIL has already successfully procured and assembled Solar power packs and supplied to 3175 houses locations spread across various districts of Uttar Pradesh. Installation and testing completed in 3175 houses in financial year 2018-19.
- 5. Providing of cloud services to NTPC: Your company has successfully executed the project for providing of Cloud Server for NTPC, Noida for various cloud services. Project started in 2016. After successful execution of the Project, TCIL's services have been further extended for the financial year 2018-19. The yearly revenue from the project is approx Rs. 2 Million.
- 6. Project for supply and installation of Networking Hardware for National technical research organisation (NTRO) Work comprises of supply, installation and 3 years warranty of following items: Edge Switches (8 ports), PoE enabled standalone Switch, 8 U Racks, VOIP Phones, Video Conferencing Codecs, Display Unit (42", full HD LED) and IP Fax Machines. Value

of the Project is Rs 8 Million (approx). The project is currently in progress.

- 7. During the year, WI Division secured the following Projects:
- Assessment and Facilitation of Collection of Revenue for Building and other Construction Workers Welfare Board (BOCW Welfare Board), Uttarakhand for approximately 1000 sq km in four districts of Dehradun, Haridwar, Udham Singh Nagar and Nainital Agreement Signed on 07.09.2018. Value of the Project is Rs 141.75 Million (approx).
- Supply of various tool kits and Bicycles for Uttarakhand Building and other Construction Workers Welfare Board (UKBOCW Welfare Board) Dehradun. The Project was awarded on 1st Dec 2018. Value of the Project is Rs 400 Million (approx).

#### **6.24 SOUTHERN REGION PROJECTS**

Following projects are under execution/operation by the Southern Region by your Company

- (a) Railway Electrification, Southern Railway Project in SP/SSP/TSS/Adjacent sidings and adjacent block sections to provide communication and to clear induction zone in connection with electrification in Kannur–Panambur section of Palghat Division of Southern Railway. Work is has been completed and under maintenance. The total value of work is Rs. 18.7 Million.
- (b) South Central Railway Project on KZJ-BZA-BPQ section of SC division/BZA Division of S C Railway. Work completed on 21.02.2018 and the section is on warranty period. The total value of work is Rs. 42.6 Million.

#### **6.25 CIVIL INFRASTRUCTURE PROJECTS:**

Civil Division is performing its activities as consultant for Comprehensive Architectural Design services, Project Management Consultancy & Third Party Quality Inspection & Audit services for construction of Buildings, Roads and other various related infrastructure works with expertise in Intelligent Buildings and Green Buildings in more than twenty States of India.

Meticulous planning, high quality standards and unmatched execution of the projects by Civil Division has enabled TCIL to book orders of more than Rs. 6,544 Million in the financial year 2018-19 from various government departments including work on Nomination

Basis and through National Competitive Bidding.

A few of the ongoing projects which put our Civil Division on a fast moving trajectory are:

- Construction of Sainik School, Indian Institute of Information Technology (IIIT), Trauma Centres, Data Centre, Sports Complex and Tourism circuit at various locations in BTC area Kokrajhar, Assam for Bodoland Territorial Council, Government of Assam valuing Rs 6,200 Million.
- Construction of various building works at Shillong Airport, Meghalaya & Tezu Airport, Arunachal Pradesh for Airport Authority of India having a construction cost of Rs 650 Million.
- Construction of Rural Electrical Corporation world head quarter at Gurugram, Haryana valuing Rs 5,000 Million for Ministry of Energy, Government of India. This is a Griha 5 star net positive building with White Fair Finish concrete. This building with several special features once completed will be a landmark in itself. The said building reflects the capability and vision of Civil Division to develop futuristic buildings.



REC Building under construction

- Construction of 100 seated Medical College cum 500 bedded Hospital at Tura (Meghalaya) for Health and Family Welfare department, Government of Meghalaya having construction cost of approx Rs 8,500 Million. Presently Phase I works costing Rs 2,760 Million are in progress.
- Development of Spiritual Circuit-1 Project in various locations of U.P. under Swadesh Darshan Yojna of Ministry of Tourism Govt. of India. 39 sites under this circuit spread in 15 districts of U.P. A few major highlight of the project is Light & Sound Show, construction and development of Ghats, Toilet Blocks, Amusement parks, Solar Lighting and

Landscaping valuing Rs 760 Million.

- Development of Tourist Infrastructure works including ethnic Villages, beach development, ghats, eco huts, lifts and other works in different locations of Chhattisgarh, for Chhattisgarh Tourism Board, Ministry of Tourism, Government of Chhattisgarh having construction cost of approx Rs 246 Million.
- Construction/Special repairs work at Jawahar Navodaya Vidyalaya under Navodaya Vidyalaya Samiti (NVS) UP, Uttarakhand, Delhi and Rajasthan for Navodaya Vidyalaya Samiti, Ministry of HRD, Government of India having construction cost of approx Rs 3,340 Million.
- Construction of Boundary wall and Toilet Block at centrally protected Monuments under ASI in 20 states for Archeological Survey of India (ASI), Ministry of Culture, Government of India, having a construction cost of Rs 2,140 Million.
- Expansion & Renovation of Hospital at Okhla, New Delhi for Employees State Insurance Corporation (ESIC), Ministry of Labour & Employment, Government of India having a construction cost of Rs 2,420 Million.
- Third Party Inspection and Certification Agency (TPICA) for Underground and Over Ground Specialized Integrated EMP Protected Hardened structures at 10 Nos. of Location in India involving Consultancy value of Rs.165 Million for TPICA of construction works valuing more than Rs 20,000 Million.
- Construction of 6 Lane standard road with two service lanes on Indian Border connecting Belhiya to Butwal in Nepal for Ministry of Physical Infrastructure and Transport, Government of Nepal having construction cost of approx Rs. 650 Million.

#### New Initiatives by Civil Division:

- To construct multiple energy complexes to collect and process various components of municipal solid waste to Hydrocarbon derivatives, fuel oil and gas. The facility will create sustainable energy and value with significant improvement in environment. TCIL is trying to setup these complexes all around India, initially at 10 locations, mainly in North East states.
- Atmospheric Water Generator (AWG) a game changer technology in providing low cost clean water

to arid regions in India and worldwide. TCIL has successfully installed one AWG each at Dr. Abdul Kalam National Memorial, Rameshwaram and Dwarkadhish Temple, Dwarka and is exploring further business opportunity for supplying, installation, operation and maintenance of AWG's at various locations as per needs of possible clients in various parts of world.

TCIL is also successfully operating following Build-Operate-Transfer (BOT) Road Projects:-

- Bhawanigarh Nabha Gobindgarh Road corridor project of 55Km length of Value Rs. 900 Million in Punjab.
- Bina Kurwai Sironj Road Project of 57 km. valuing Rs. 1,200 million in Madhya Pradesh under TCIL Bina Toll Road Limited.
- Lakhnadon-Ghansore Road Project of 38 Km valuing Rs. 790 Million in the state of Madhya Pradesh under TCIL Lakhnadone Toll Road Limited.

During the year, Civil division has achieved turnover of Rs. 2,803 Million.

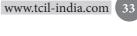
#### ii) International Operations

#### 6.26 KINGDOM OF SAUDI ARABIA (K.S.A.)

In KSA, company is primarily working on National Broad Band (NBB) plan of Government of Saudi Arabia, Fibre to Home (FTTX) for Telecom Operators in the Kingdom of Saudi Arabia. TCIL has rolled out FTTH Networks in Riyadh, Hail, Qassim and Dammam, for Saudi Telecom Company. TCIL has rolled out FTTH networks in the districts of Ereja & Twiq in the capital city of Riyadh for STC Project. The value of work done in the year 2018-19 works out to Rs 365 Million.

TCIL has been entrusted with prestigious National Broad Band (NBB) project, FTTH work by DAWIYAT, a subsidiary company 100% owned by Saudi Electricity Company (SEC). The value of work done in the year 2018-19 works out to Rs 2,240 Million. TCIL has plans to execute work for NBB Project. The work was executed in Riyadh and Hofuf cities.

TCIL KSA has been entrusted with Fibre Infrastructure Managed Network services which includes Long Distance Network, Access Network, Metropolitan Network and FTTX Network for Eastern region of Etihad Eitisalat Compnay (MOBILY) in Saudi Arabia. The contract is



valid up to October 2021. The value of work done in the year 2018-19 works out to Rs 205 Million.

TCIL has also been awarded OSP implementation works by MOBILY in Kingdom of Saudi Arabia. The value of work done works out to Rs 60 Million.

TCIL has also completed National Broad Band(NBB) work with ITC in Riyadh Area under National Transformation Plan 2020 of Government of Saudi Arabia. TCIL KSA has been carrying out OFC implementation (OSP) in Central and Eastern Region for Integrated Telecom Company (ITC).

TCIL has been awarded Kingdom wide Operation & Maintenance of Fiber To The Home (FTTH) for Kingdom of Saudi Arabia by Integrated Telecom Company. The value of work done with ITC in Implementation project and O& M Project works out to Rs 64 Million and Rs 66 Million Respectively.

TCIL has been awarded, by CISCO, the Operation and Maintenance of central and eastern network of SAUDI NATIONAL FIBER NETWORK (SNFN) for Rs 193 Million per annum.

TCIL has been awarded the work of Relocation of Telecom Services by all the 3 Metro Consortiums namely ANM, FAST and BACS, of major Telecom Operators namely STC, MOBILY and ITC. TCIL has earned a turnover of Rs 672 Million from the aforesaid Relocation jobs since inception.



Duct Installation works in progress in Eastern Province, KSA

TCIL has executed various other relocation projects related to STC Telecom Network through Ministry of Transport (MOT). TCIL completed work in Yamama Further TCIL worked for AMAMNA through Shiba Al Jazira for Rs 51 Million.

TCIL KSA has also out sourced the expert technical resources to various multinationals viz. ERICSSON, Nokia etc. The resources supplied are assisting the clients to maintain GSM network, Supervision of GSM Civil and Telecom network elements of Saudi Telecom Company (STC), Mobily and Zain. The value of work done in the year 2018-19 works out to Rs 1,050 Million.

TCIL KSA has been awarded OSP and ISP work of Ministry of National Guard work through ERICCSON in Dammam Area. The value of work in the year 2018-19 works out to Rs 34.33 Million.

During the year TCIL KSA has earned a turnover of Rs 4,597 Million and Profit after tax of Rs 380.6 Million.

#### **6.27 KUWAIT**

TCIL Kuwait Branch has been and still is continuously winning and implementing Telecommunications Turnkey and Maintenance Projects since about 40 years. TCIL Kuwait has been a major contractor of the Ministry of Communications (MOC), Kuwait since 1978 for Construction and Maintenance of Telecommunications Networks and other prestigious clients which includes the following activities:

#### **CIVIL WORKS:**

- Survey & designing of Telecom Trench Routes for FO and Copper Cables
- Survey & designing of Internal UTP Cabling
- Excavation of Trenches for making telecom routes for various clients like MoC, VIVA, Zain, IMCO, KOC etc.
- Supply & Laying of OFC, Copper Cables in Ducts, Sub Ducts & direct buried as per clients specifications & MoC standards
- Construction & Installation of RCC Man Holes and Hand Holes
- Design and Construction of Cabinet RCC Foundations
- Directional Boring

#### **TELECOMMUNICATIONS WORKS:**

- Supply, Laying & Termination of Copper and Optical Fiber Cables
- Splicing of Optical Fiber Cable from 1 to 144 Fiber Cables
- Jointing & Testing of Copper Cable from 10 Pairs to
- Testing of Optical Cable Fiber Networks by OTDR & Power Meter
- Supply & installation MDF, ODF, Patch Panel, DP & Cabinets
- Fault Localization & Rectification of U/G Copper Cables and Optical Fiber Cables
- Maintenance of FTTH Networks including of installation of OLT, ONT etc.
- Maintenance of Copper Cable & Fiber Cable Networks
- Operation and Maintenance of EPABX's, Video Conferencing, CCTV, LAN Network and VMS.
- Supply, Installation & Maintenance of Advanced Technology MUX systems to extend Telecom services for Digital PRI, Analog Lines etc.
- TCIL Kuwait has been awarded "ASSP GCC HSE Excellence Gold Award 2019" for Health, Safety and Environment (HSE) procedures in Kuwait by TCIL, from American Society of Safety Professionals (ASSP), Kuwait Chapter.

During the Year 2018-19, TCIL Kuwait has participated in many Telecom & IT tenders for the worth of Rs 8,005 Million and secured the orders of Rs 1,715 Million. TCIL Kuwait bagged major contracts, like M/s KNPC Rs 916 Million, MOC Rs 468 Million, M/s Metco (Ministry of Information) Rs 95 Million, M/s VIVA Rs 70 Million, M/s KGOC (Joint Operations) Rs 55 Million, IMCO Rs 47 Million, KIPIC Rs 16 Million, and other with Kuwait University Rs 9 Million. Other significant clients from whom the orders were bagged include Fast Telco, KEMS, ISCO, Quality Net, Agility and Alghanim.

TCIL Kuwait has achieved a Turnover of Rs. 1002.06 Million with a profit after tax of Rs. 214.8 Million during the Financial Year 2018-2019.



ASSE GCC HSE Excellence Gold Award 2019 awarded to TCIL Kuwait

#### **6.28 NEPAL**

TCIL is operational in Nepal at Kathmandu for the last 17 years and the Company has been registered as a Branch in Nepal. During the year 2018-19, following projects were executed:

- Two packages of road project (Belahiya to Butwal package 3 and package 5), costing NPRs 1,040 Million (Equivalent to Rs 651.40 Million) are under execution despite facing various bottlenecks and hindrances. The execution of work suffered a lot and even after such country wide hindrances, TCIL has completed 90% of work in FY 2018-19.
- Agreement for Construction of Bharat-Nepal Maitri Polytechnic Building at Hetauda, Makhwanpur district of Nepal was signed with MEA, Govt. of India on 14.07.2017. The work could not be started as the clear site was not available. The permission is likely to be received from Ministry of Environment & Forest (Govt. of Nepal) and work would be started soon.
- Lumbini, the birth palace of Lord Buddha has very beautiful temples and monuments build by China, Japan, India, Nepal and other 45 countries. Lumbini Development Trust invited bids for Design drawing and PMC of the buildings. TCIL India -CIS Nepal

JV secured the highest score for the Lumbini Development plan and the work is likely to be awarded to TCIL soon.

 During the year, the Branch has achieved turnover of Rs 249.04 Million.

#### 6.29 MAURITIUS

TCIL is continuously working in Mauritius as a branch office since 1991. It is the prime-contractor of Mauritius Telecom. A total number of 14 contracts were successfully completed in the financial year 2018-19. Some of the major projects completed recently are Multi-order contract for ODN Construction for Rs. 150 Million, Curative maintenance of copper cable fault for Rs. 55 Million, FTTH fault repairs for Rs. 54 Million, FTTH subscriber connections for Rs. 35.6 Million.

Six new contracts were awarded. The major contracts are Emergency repair of OFC network at short notice for Rs. 77.5 Million, Multiorder maintenance contract for Rs 74 Million, New fiber connections for business enterprises for Rs 92 Million, New FTTH residential connections for Rs 60 Million.

During the year, Mauritius branch achieved a turnover of Rs 254.5 Million and Profit after Tax of Rs 66.7 Million.

#### **6.30 OMAN**

TCIL continues its presence in Sultanate of Oman since 1987. During the financial year 2018-2019, TCIL carried out the MNE (Minor Network Expansion, OSP) Telecom Works & Maintenance of M/s Omantel Network as Sub-Contractor to Main Contractors of M/s Omantel such as M/s National Telephone Services (NTS), M/s Electroman (EM) and M/s JST.

**Turnover Achieved:** Turnover Achieved was Omani Rial (OMR) 223,055/- (Rs Forty Million) from these three OSP Contractors of M/s Omantel. The Works have been



Ghala Cab 061 Base installation being undertaken in Muscat, Oman

assigned in Muscat, Batina, & Dakhalia Governorates of Sultanate of Oman.

**Order Bookings:** Total Order booking was Omani Rial OMR 527,809/- (Rs 98 Million) with breakup of OMR 263,882/- (Rs 48 Million) from these three OSP Contractors of M/s Omantel & OMR 263,927/- (Rs 50 Million) from New Client M/s OBB.

Significant Achievements: TCIL has been selected as one of the Major Contractor for execution of OBB's prestigious FTTH Network Construction Project to be rolled over in whole Sultanate of Oman in next three years. "Framework Contract for FTTH Network Construction-Major Works (T-003-2018) Agreement" signed on 15th October 2018 with Work Packages to be awarded in phased manner. First Work Package of OMR 263,927/- (Rs 50 Million) awarded to TCIL in March 2019.

#### 6.31 MYANMAR

TCIL has successfully implemented 1.5 Gigabit Microwave Radio System on Rihkhawadar – Mindat route in Union of Myanmar under the Line of Credit arrangement from the Government of India, for Myanmar Posts and Telecommunication (MPT) for a total value of USD 6.04 Million.

Project scope included Survey, Planning & Design, Supply, Supervision of Installation and Commissioning of Microwave Radio (IP Radio) System on Rih – Mindat route in Myanmar alongwith Installation & Commissioning of Hybrid Power Systems consists of Solar Power, Rectifier, Batteries & DG and Spur Optical Fibre Communications links with SDH Equipments.

Rih-Mindat 1.5G MW Project clearly emerged as a critical high capacity gigabit bandwidth backbone connectivity to boost the mobile coverage in remote areas like Matupi, Rezua and Surukhua in Chin state. Therefore, above project has reduced the Universal Service Gap by connecting lowest population mobile coverage areas like Matupi in Chin state with 42% mobile coverage (58% uncovered) through launching of 4G/ LTE services through our M/W backbone. The above services could be extended to other underserved/ no served mobile coverage areas through our above Microwave Link.

The above project will further enable in uplifting socio economic status of population inhibited in nearby villages and localities by embedding digital infrastructures in their daily lives through e- governance, e commerce and other ICT related services. TOI services etc.

#### 7. ORDER BOOKING

Order booking of TCIL was Rs. 27,140 Million during the year 2018-19.

#### 8. CAPITAL EXPENDITURE

Capital Expenditure of TCIL was Rs 19.6 Million during the year 2018-19.

#### **GROUP COMPANIES**

#### **SUBSIDIARIES**

#### TCIL OMAN LLC

In this subsidiary, TCIL's equity stake is 70% and M/s National Telephone Services Company LLC, Oman (NTS) is holding 30% shares. The company is exploring business opportunities in Sultanate of Oman and has started submitting bids for projects.

#### (II) TAMILNADU TELECOMMUNICATIONS LTD. (TTL)

In the year 1988, TTL was formed in association with Tamilnadu Industrial Development Corporation (TIDCO) for manufacture of Jelly filled cables. Later on, M/s Fujikura of Japan had also joined for manufacture of Optical Fibre Cable. TCIL's stake in TTL is 49%. The performance of the company has been deploring over the past few years due to paucity of orders. The present demand is mostly for Ribbon Type cable for which TTL does not have the requisite manufacturing machinery. Considering the same, TTL is considering to appoint a consultant for setting up a Greenfield project of manufacturing Ribbon Optical Fiber Cable (OFC) in the existing Optical Fiber Cable Factory at Maraimalai Nagar, Chennai, M/s Fujikura, Japan, TTL's technology partner, is being negotiated to consider setting up a new plant on deferred payment basis, for production of Ribbon Optical Fiber Cable (OFC). Efforts are also being taken through TIDCO to get Tamilnadu Government support for getting Sovereign Guarantee and preferential orders to TTL. During the year 2018-19, the Turnover of TTL has been Rs. 0.55 Million as compared to Rs. 16 Million during last year and the incurred during the year Rs. 157 Million as compared to Rs. 144 Million loss during last year.

#### (III) TCIL BINA TOLL ROAD LIMITED

TCIL Bina Toll Road Limited (TBTRL)

incorporated on 11.07.2012 as a wholly owned subsidiary of Telecommunications Consultants India Ltd (TCIL) with the object of execution of Bina-Kurwai-Saronj Toll Road Project on design, build, finance, operate and transfer (DBFOT) basis. The Project was completed in 2014 and toll collection started in April, 2014. The turnover of the Company during the year 2018-19 is Rs. 52 Million as compared to Rs. 54 Million during last year. The Loss incurred during the year is Rs. 52 Million as compared to Rs. 51 Million during last year.

#### (IV) TCIL LAKHNADONE TOLL **ROAD LIMITED**

TCIL Lakhnadone Toll Road Limited was also formed on 21.08.2013 as a wholly owned subsidiary by TCIL for construction of Lakhnadone-Ghansore Road Project on Build, Operate and Transfer (BOT) Model. The Project was completed on 29.06.2016 and the toll collection started w.e.f. 06.07.2016. The turnover of the Company during the year 2018-19 is Rs. 67 Million as compared to Rs. 48 Million during last year. The Loss incurred during the year is Rs. 0.58 Million as compared to Rs. 16 Million during last year.

#### (V) TCIL USA INC.

TCIL USA Inc. was incorporated as a wholly-owned subsidiary of TCIL in the state of Washington, USA on 29/11/2018 with a sanctioned investment of USD 5 million in tranches, for exploring various business opportunities available in United States. The Company is planning to get involved in T-mobile 5 G roll out of GSM network & for rolling out fibre OFC network.

#### 9.2 JOINT VENTURE COMPANIES

#### (I) BHARTI HEXACOM LTD. (BHL)

In the year 1995, BHL was formed in association with Mobile Telecommunication Company, Kuwait and Shyam Telecom Limited to operate cellular mobile services in the State of Rajasthan and North East. At present TCIL and Bharti Airtel Limited (BAL) are holding shares in the ratio of 30:70 in BHL. TCIL has made an investment of Rs.1,062 Million in BHL in a phased manner. The company achieved turnover of Rs.36,199 Million and Loss after Tax of Rs. 7,220 Million during the year as compared to Rs. 44,181 Million turnover and Rs. 1,119 Million loss after Tax during last year.

#### (II) TBL INTERNATIONAL LTD. (TBL)

TBL was formed in 1989, with TCIL holding 44.9%, TBL

India LLC holding 40% and DSS Enterprises holding 15.1% shares in the Company. TCIL had invested a sum of Rs.8.37 Million in the Company. During the year Company executed an order for Supply, Installation and Commissioning of 5 licenses of CorelDraw Software, from NSIC Technical Services Center. The Company achieved a Turnover of Rs. 2 Million and a Loss after Tax of Rs. 4.6 Million during the year as compared to Rs. 4 Million of Turnover and Rs. 0.14 Million of Profit after Tax during last year.

## (III) INTELLIGENT COMMUNICATION SYSTEMS INDIA LTD. (ICSIL)

The company was promoted in 1987 with Delhi State Industrial and Infrastructure Development Corporation (DSIIDC) as the major stake-holder to take up the projects for supply of technical manpower and execution of training, computer communications and office automation projects. TCIL had made an investment of Rs.3.60 Million in ICSIL. ICSIL is IS/ISO 9001:2008 certified Company and is executing projects in the area of supply of hardware and other computer peripherals to Delhi government and to various other government departments. The Company is also executing high tech projects in networking and software, CCTV projects and also running Training Institutes for training in various Computer and IT Courses. The performance of the company has been satisfactory during the last few years. The Turnover of the Company during the year 2018-19 was Rs. 1,650 Million as compared to Rs. 1,500 Million during the last year. The Profit after Tax of 2018-19 was Rs. 42 Million as compared to Rs. 37 Million during last year.

#### (IV) UNITED TELECOM LTD. (UTL)

In 2001, TCIL in association with MTNL, VSNL (Presently Tata Communications Ltd.) and a local partner viz. Nepal Ventures Pvt. Ltd. Formed a JV Company called United Telecom Limited to provide WLL based basic telecom services in the Kingdom of Nepal. Presently, the Company provides basic mobile, NLD, ILD and Data Services in Nepal. The company has not been performing well for the last few years. The Customer base has also reduced. It is not paying the statutory dues like Royalty, BTS site charges, and other dues to the Govt. of Nepal. They have sought Equity participation by its JV partners but MTNL, TCIL & TCL all the Indian JV partners have decided not to contribute any amount towards its Share Capital or Loan. All the Indian JV Partners have decided to exit from the JV and have exercised their Right to exit. During the year ending March 31st, 2019, the Company

achieved a Turnover of Rs. 2 Million as compared to Rs. 21 Million during the last year. The Company has incurred a loss of Rs.575 Million during 2018- 19 as compared to the loss of Rs. 602 Million during last year.

#### 10. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India are annexed herewith.

#### 11. AUDITORS' REPORT

The Auditors' Report to the Shareholders does not contain any qualification.

# 12. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Corporate Governance report is annexed herewith as Annexure 'A'.

Management Discussion and Analysis Report is annexed herewith as Annexure 'B'.

# 13. ATTACHING OF ANNUAL REPORT OF SUBSIDIARY COMPANIES ALONG WITH ANNUAL REPORT OF TCIL

Your Company is not attaching the Annual Reports of Subsidiary Companies along with the Annual Report of TCIL. As such, TCIL undertakes that Annual Accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of TCIL and Subsidiary companies seeking such information at any point of time. The Annual accounts of the subsidiary companies shall also be kept for inspection by any shareholders in the head office of TCIL and of the subsidiary companies concerned. TCIL shall also furnish a hard copy of details of accounts of subsidiary companies to any shareholder on demand.

In terms of proviso to sub section (3) of Section 129 of the Companies Act, 2013, the salient features of the financial statement of the subsidiaries are set out in the prescribed Form AOC-1, which forms part of the annual report and is annexed as Annexure 'C'

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is placed at Annexure 'D' forming part of this Report.

#### 15. QUALITY, ENVIRONMENTAL AND OCCUPATIONAL HEALTH & SAFETY **MANAGEMENT SYSTEMS**

Your company already has an established Quality Management System that encompasses all the elements of the organization, including people, work environment, resources and infrastructure, customers' requirements, materials and purchases, provision of services, project execution, environmental and safety issues. The Quality Policy statement of TCIL reflects its commitment to quality, customer satisfaction, continual improvement and excellence, with the active involvement of its employees and all stakeholders. TCIL was certified to the ISO 9001:2008 international standard for Quality Management System by Bureau of Indian Standards. During the year the Quality Management System was revised and the certification was upgraded to the latest version of the standard, i.e. ISO 9001:2015.

TCIL is also committed to protecting the environment and conserving precious natural resources. Care is

**CERTIFICATION OF REGISTRATION** This is to certify tha **Quality Management Systems** TELECOMMUNICATION CONSULTANTS INDIA LIMITED (Ahmed Yousuf Behbehani General Trading & Contracting Co. W.L.L) ISO 9001:2015 Issue Date: 07/11/2018 Valid Till: 06/11/2021 al Issue Date: 07/11/2018 1st Surv. Due on: 27/10/2019 The Certification Intern

ISO 9001:2015 Certificate for TCIL Kuwait Project Operations

exercised in our processes, activities and services to minimize the environmental impacts, save resources such as water, power, fuel and paper and reduce pollution. TCIL is certified to the ISO 14001:2015 international standard for Environmental Management System. This certification was renewed in March 2019 for a further period of 3 years after a renewal audit conducted by auditor from the certification body.

TCIL also takes suitable measures to prevent accidents and protect the health of its personnel. This commitment is reflected in TCIL's Health, Safety and Environmental Policy statement. TCIL is already certified to the Occupational Health and Safety Assessment Series (OHSAS) 18001:2007 standard for Occupational Health and Safety Management System. During this year TCIL obtained certification to the new ISO standard for Occupational Health and Safety Management System -ISO 45001:2018.

#### 16. TRAINING & DEVELOPMENT

We, at TCIL, believe in developing the individual, and thus empowering the team and the organization. This, in turn helps our clients worldwide to achieve better business results and profitability.

Keeping in view the fact that our business is characterized by hi-tech operations, we ensure that our employee is upto-date with the latest technologies. As part of a continuous process, we conduct trainings for our employees in various fields such as technology, finance, management and health. Every employee, after undergoing external training, is expected to organize an internal training and submit training reports on the same topic. We also work on the development of varied skill sets of non-executives, helping them specialize in specific technical areas, including the latest computer technologies, managerial skills and optical fibre trainings for preparing them to become successful executives in future. Finance officers and executives are trained on the latest procedures and policies of various financial areas. Training programmes were organized in new areas like Railway Signalling, EDPM and Leadership development Program.

We at TCIL also believe in the saying "Health is Wealth", and hence a number of health management trainings, like Stress Management, Yoga, Meditation, etc. are organized for all employees.

In the International market there is an increasing demand from the clients for deployment of human resources with a particular certification. Hence we motivate our young

engineers and managers by sponsoring them for certification programmes like EDPM, PMP, CCNA etc.

Employees are also sponsored by the company to participate in workshops, seminars, conferences etc. Many in-house training programmes are organized on project management from third party for our middle level and higher management executives

We, at TCIL, provide managers with practical guidelines for motivating, retaining, and coaching individual employees. Our training cell provides employees with a clear understanding of their own behaviour that enables them to become more effective team members and leaders. It even includes a mapping of their stress behaviour, and how those impact other team members and employees. Time to time, TCIL organizes many stress busters and yoga classes to rejuvenate and motivate our employees.

We celebrated various weeks in TCIL for observing vigilance awareness for 1 week, for Public Sector day weeklong celebrations (10th April 2018 to 16th April 2018) were being organized. We also organized hindi pakhwada for 15 days and Swachhta Pakhwada for 15 days. We also celebrated International yoga Day on 21st June 2018 and organized various health lectures and yoga sessions for TCILians. We also celebrated Sadbhavna Diwas on 20th Aug 2018 and Rastriya Ekta Diwas on 31st Oct 2018, on these occasion all the TCILian took pledge. TCIL also Celebrated Women's Day on 8th March 2019 on a large scale for all TCIL Women employees. It comprised of various energizing and rejuvenating sessions followed by lunch at outdoor venue. These programmes were organized aiming at providing relief from normal stress and job related tensions to the employees. For energizing and rejuvenating the employees from job stress and for change from day to day monotony, excursion tours were organized for employees on subsidized rates in 2019 for various outdoor activities.

We also organize farewell to retired employees outdoor and in-house for making them feel special and giving tribute to their contribution to TCIL in their entire career and best wishes for retired life.

#### 17. PERSONNEL

The enterprise employed 822 regular employees as on 31-Mar-2019. The retirement age in the company is 60 years. Category wise employment status for last 3 years is given in the table.

TCIL - category wise employment status (Number)					
Particulars Nos Executives (including	2018-19	2017-18	2016-17		
deputationist)	403	402	405		
Non Executives	419	437	454		
Total Employees	822	839	859		

#### **WORKING STRENGTH**

As on 31 March 2019, TCIL has working strength of personnel comprising of 403 Executives and 419 Non-Executives.

#### SCHEMES FOR BENEFIT OF WOMEN IN TCIL

- No discrimination on the basis of gender is done and Women employees are treated equally in line with other male employees. Total 121 numbers of Women are employed.
- At TCIL, we are providing a friendly workplace for our employees and safety & security measures for the employees are strictly enforced ensuring equal opportunities to all our employees. As a welfare measure for Women employees, various benefit schemes are incorporated in TCIL. The positive results of the welfare measures are evident from the increase of women employees in the managerial and supervisory category. Separate rest rooms are available for women on each floor.
- Women employees are today holding some
  of the higher management/ executive posts in
  TCIL and are involved in decision making process.
  We also have Committee duly constituted for
  addressing the grievances regarding harassment at
  work place and for welfare & security of
  Women employees.
- Various Leadership Program and gender sensitization sessions were held in 2018-19 in TCIL for Women employees.

#### SCHEMES FOR BENEFIT OF SC/ST CATEGORY

 Reservation guidelines are followed for SC/STs for all cadres/posts in Direct recruitment which includes relaxation in age and % of marks in educational qualifications. Keeping in view the reservation guidelines, the vacancies are also reserved for SC/ST Candidates in Direct Recruitment.

- TA/DA is also paid to the candidates called for interview.
- For monitoring and implementation of reservation policy, a Liaison Officer is appointed. The concerned employees can forward their representation/grievances to Liaison Officer as well as to HR Division.
- Organize the training programmes from time to time.
- An SC/ST Representative is included in Interview Selection Board and DPC for recruitment and promotions so that no discrimination on the basis of caste can be done and interests of reserved candidates is protected and they are given due preference where possible.
- TCIL has executed various programmes for the Welfare and Socio-Economic Development under CSR Schemes.
- Keeping in view the reservation guidelines, if sufficient number of SC/ST posts are not filled up through Direct Recruitment, the steps are being taken continuously by TCIL to clear the backlog through "Special Recruitment Drive".

#### SCHEMES FOR BENEFIT OF PERSONS WITH DISABILITIES

- Concessions in service conditions are admissible to all Physically Challenged employees as per guidelines. Transport allowance at double the normal rate is given to Physically Challenged employees as per government guidelines.
- No physically disabled employee is posted in remote areas where hardship conditions are involved. Their postings/transfers are considered sympathetically.
- The cases/representations/grievances of disabled persons if any, are considered favorably.
- They are treated equally in line with other employees.
- A liberal view is taken while forwarding application of physically disabled candidates outside.
- Special facilities like separate lift for disabled, stair chair at reception is available for their comfort and convenience.

#### 18. USE OF HINDI (RAJBHASHA)

Your company has initiated several steps towards increasing the use of official language Hindi. TCIL is committed to implement Official Language

policy and fulfill the targets related to Hindi. In the month of September 2018, Hindi Fortnight has been celebrated in TCIL. During this fortnight, four competitions have been organized. A competition, called 'Prashna Mancha' very popular among the employees. Hindi Workshop/Seminars have been organized regularly as per the directives. In the month of March, a Hasya Kavi Sammelan has been celebrated on the occasion of Holi Festival. Unicode and other advanced tools have been installed in all the computer systems of TCIL. For hindi typing, Google Speech Tool is used by employees.

#### 19. VIGILANCE

During the period 2018-19, Vigilance Division has performed various tasks / activities with regard to preventive and punitive vigilance to eliminate corruption within the organization. The guidelines issued by Central Vigilance Commission (CVC) from time to time and instructions contained in the Vigilance Manual are implemented within the organization to create corruption free environment in the organization. Efforts were made to enhance transparency and accountability in the functioning in various departments to eradicate corruption.

During the period, Vigilance division has received numerous complaints which were investigated thoroughly. Departmental enquiries were also conducted where needed and circulars for systematic improvements were issued and action taken on the enquiry reports by the Disciplinary authority. Further, periodic / Surprise Inspections were carried out to enhance preventive vigilance. Quarterly progress Report (QPR) for the quarter ending March, 2019 was submitted online to CVC. The Vigilance Awareness week was observed in TCIL from 29.10.2018 to 03.11.2018. The theme of observing Vigilance Awareness Week during this year was "Eradicate Corruption - Build a new India". Various programmes were organized during the week to bring awareness on vigilance activities among the employees of TCIL. Pledge was taken by TCILians to be vigilant in their work. A lecture on the theme was imparted by T.P. Sharma, Under Secretary, Central Vigilance Commission in TCIL. Debate and Essay Writing competitions were conducted during Vigilance Awareness week for bringing awareness among the employees about the vigilance matters. Director(Projects), TCIL addressed the employees during Vigilance Awareness Week and also distributed prizes to all the winners of Debate and Essay Writing Competitions

On the recommendations of Independent External Monitors (IEMs) during the 26th IEM Meeting, TCIL Board in its 235th meeting has accorded approval to

increase the threshold value of Integrity Pact (IP) from Rs. 10 Million to Rs. 50 Million w.e.f. 03.07.2018 and adaption of modified IP format.

The Vendors meet was organized on 29.03.2019. The Meet was attended by both the Independent External Monitors (IEMs) of TCIL, two representatives of Transparency International India (TII), vendors from different companies and senior management level officers of TCIL. CMD chaired the meeting and explained that this Vendors meet is a Business Associate Meet and interaction will strengthen the relationship between Vendors and TCIL.

## 20. WHISTLE BLOWER POLICY/ VIGIL MECHANISM

Company has formulated a detailed Whistle Blower Policy/ Vigil Mechanism as per the requirement of Companies Act, 2013. The same is available on the website of the company.

#### 21. CORPORATE SOCIAL RESPONSIBILITY

A detailed Report on Corporate Social Responsibility is annexed as Annexure 'E' as per the requirements of Section 135 of the Companies Act, 2013.

#### 22. RELATED PARTY TRANSACTIONS

Forms AOC-2 containing complete particulars of Related Party Transactions are attached as Annexure 'F(1)' to F(10)'

## 23. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors to the best of their knowledge and belief confirm:

- 1. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there has been no material departure.
- 2. That appropriate accounting policies and practices have been applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2019 and of the Profits of the Company for the year ended on that date.
- 3. That proper care has been taken for the maintenance of accounting records in accordance with provisions

- of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 4. That the Annual Accounts have been prepared on a "going concern" basis.
- 5. That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### 24. DIRECTORS

Due to the superannuation of Shri Rajesh Kapoor, Director (Technical), he ceased to be the Director of TCIL w.e.f. 31.01.2018. Consequently, Shri A. Seshagiri Rao, Chairman and Managing Director was holding the additional charge of Director (Technical) w.e.f. from 01.02.2018 to 31.07.2018. Thereafter, Shri Kamendra Kumar was appointed as Director (Technical) of TCIL w.e.f. 01.08.2018.

Also, Smt. Sumita Purkayastha, consequent to her superannuation, ceased to be the Director (Govt. Nominee) of TCIL w.e.f. 30.06.2018 and in her place Ms. Vinod Kotwal was appointed as Director (Govt. Nominee) of TCIL w.e.f. 01.08.2018.

Prof. Rekha Rani Jain, Independent Director was reappointed as Non-Official Independent Director on the Board of TCIL vide DOT order bearing number F.No. E-5-7/2018-PSA dated 22.11.2018 for a period of one year from 23.11.2018.

Shri Rajiv Gupta, Director (Projects), Shri Narendra Jain, Director (Finance) and Shri Sanjeev Gupta, Director (Govt. Nominee) continued to hold their posts from the date of their appointment till the end of the financial year under review.

During the year under review, all the Directors attended all the five (5) Board Meetings held except Smt. Sumita Purkayastha, Director (Govt. Nominee) who could not attend the meeting held on 06.06.2018 and Ms. Vinod Kotwal, Director (Govt. Nominee) who could not attend the meeting held on 31.10.2018

The last Annual General Meeting of the Company was held on 25.09.2018 and all the Directors attended the same except Ms. Vinod Kotwal, Director (Govt. Nominee), Prof. Rekha Rani Jain, Independent Director and Shri Sanjeev Gupta, Director (Govt. Nominee).

## 25. DETAILS OF KEY MANAGERIAL PERSONNEL

As on 31st March, 2019, the Officials designated as Key Managerial Personnel of the Company are as follows:

- 1. Shri A. Seshagiri Rao, Chairman and Managing Director
- 2. Shri Rajiv Gupta, Director (Projects)
- Shri Narendra Jain, Director (Finance)
- Shri Kamendra Kumar, Director (Technical)
- Shri A.V.V. Krishnan, Company Secretary

However, Shri A.V.V. Krishnan, due to his superannuation, has ceased to be the Company Secretary of the Company w.e.f. 30.04.2019 and consequent to his cessation, Ms. Rashmi Chawla, Deputy Company Secretary is looking after the functions of Company Secretary of the Company & has also been designated as Key Managerial Personnel (KMP) of the Company w.e.f. 19.07.2019.

A brief Profile of all the above Directors/KMPs is available on the website of the Company.

#### 26. EXTRACTS OF ANNUAL RETURN

The extract of Annual Return of the Company in Form No. MGT-9 for the year under report pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 is placed at Annexure 'G'.

#### 27. SECRETARIAL AUDIT REPORT

The Secretarial Audit of the company for financial year 2018-19 pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been conducted by M/s. Agarwal S. & Associates, Practicing Company Secretaries, New Delhi. The Secretarial Audit Report has been attached to this report as Annexure 'H'.

The explanations and comments under Section 134(3)(f) of the Companies Act, 2013 on remarks made by the Practicing Company Secretary in their reports has been attached to this report as Annexure 'I'.

28. INFORMATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) **OF** THE **COMPANIES** (APPOINTMENT AND REMUNERATION OF **MANAGERIAL** PERSONNEL) RULES, **REGARDING EMPLOYEES** 2014 REMUNERATION

In terms of the provisions of section 197(12) of the Companies Act, 2013 read with the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every Company is required to give a statement showing the names and other particulars of the top ten employees in terms of remuneration drawn and also employees drawing remuneration in excess of the limits set out in the said rules in the Board's Report.

However, as per notification dated 05.06.2015 issued by the Ministry of Affairs, the company has been exempted from the above provision and therefore, such particulars have not been included as part of the Board's Report.

#### 29. STATEMENT UNDER SECTION 134(3)(P) OF THE COMPANIES ACT, 2013 REGARDING FORMAL ANNUAL EVALUATION MADE BY **BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES** INDIVIDUAL DIRECTORS

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

#### 30. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

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

#### 31. UNSECURED LOAN

As on 31.03.2019, the unsecured loans of TCIL stood at Rs. 856 Million.

#### 32. DEPOSITS

During the year under review, your Company has not accepted any deposits from the public under Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

#### 33. EQUITY SHARES WITH DIFFERENTIAL **RIGHTS**

During the year under review, the Company has not issued any Equity Shares with differential rights as to

dividend voting or otherwise. Thus, there was no change in the Share Capital of the Company during the Financial Year 2018-19. Hence, the disclosure under Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable.

## 34. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there was no change in the nature of business of the Company.

35. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year under review, there are no significant and material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

## 36. DISCLOSURE REGARDING COST RECORDS

Pursuant to the provisions of Section 134 and 148(1) of the Companies Act, 2013 read with Rule 8(5) of the Companies (Accounts) Rules, 2018 (including statutory modification(s), re-enactment(s) or amendment(s), if any), the Company has maintained proper accounts and records as required under the Act relating to Civil Construction works.

The Board of Directors, on the recommendation of Audit Committee, has re-appointed M/s Sanjay Gupta & Associates, Cost Accountants, (Firm Registration Number 000212) as Cost Auditor to audit the cost records of the Company for the financial year 2019-20. As required under the Act, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification.

37. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT

In terms of Section 134(3)(l) of the Companies Act, 2013, except as disclosed elsewhere in this Annual Report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the Financial Year of the Company and date of this Report.

#### 38. ANNUAL PROCUREMENTS FROM MSE'S

During the year 2018-19, TCIL has surpassed the mandatory target of 25%, so far as the procurement from MSEs is concerned. The Actual Procurement made from MSEs was Rs. 3,042.37 Million which was 36.19% of the total value of procurement of Rs. 8,407.6 Million during the year 2018-19. TCIL has set a target of 25% to procure only from MSEs out of the total value of Goods & Services to be procured during the financial year 2019-20. This information has been posted on Micro, Small and Medium Enterprises (MSME) Sambandh Portal.

# 39. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under, the Company has in place, a committee for prevention, prohibition and redressal of sexual harassment at workplace.

Three cases of Sexual Harassment were reported in the FY 2018-19. One case has been concluded, two are under process.

## 40. DECLARATION BY INDEPENDENT DIRECTORS

A declaration under section 149(7) of the Companies Act, 2013 that she meets the criteria of independence as provided in section 149(6) of the Act has been given by Independent Director.

#### 41. AUDITORS

Comptroller and Auditor General of India appointed M/s Hingorani M. & Co., Chartered Accountants as Statutory Auditors for auditing Accounts of TCIL for the year 2018-19.

Apart from this, the following foreign Branch Auditors were also appointed:-

Kuwait - M/s Al-waha Auditing office Oman - M/s Jimenez Auditors Mauritius - M/s Moore Stephens Saudi Arabia-I - M/s UTC International Saudi Arabia-II - M/s Rashid Awaji

#### 42. REPORTING OF FRAUDS BY AUDITORS

For the Financial year 2018-19, no fraud by the Company or on the Company by its officers or employees has been noticed or reported by the Statutory Auditors to the Board of the Company.

#### 43. ACKNOWLEDGEMENT

Your Directors would like to place on record the valued cooperation and support extended by Deptt. of Telecom (DOT) and various Ministries of the Government of India, Comptroller and Auditor General of India, Statutory Auditors and Branch Auditors, Exim Bank, ECGC and the Bankers.

The Directors wish to place their gratitude to the valued

clients both in India and Abroad for their continued trust, support and reposing confidence on the company.

The Board of Directors also place on record the appreciation for the continued cooperation received from Joint Venture Partners, Technology partners and Business Associates.

The Directors also take this opportunity to record their appreciation for the continued and dedicated hard work and efforts of every employee of the company and expect the same in the coming years also.

For and on behalf of the Board of Directors



(A. SESHAGIRI RAO) CHAIRMAN & MANAGING DIRECTOR DIN: 06364174

Date: 26.08.2019 Place: New Delhi





**-⊗**-

•



#### ANNEXURES TO THE BOARD'S REPORT

their report

•	Report on Corporate Governance	-	Annexure 'A'
---	--------------------------------	---	--------------

- Management Discussion & Analysis Report
   Annexure 'B'
- The salient features of the financial statement of the subsidiaries in the prescribed Form AOC-1
   Annexure 'C'
- Information relating to Conservation of Energy,

   Annexure 'D'

   Technology Absorption, Foreign Exchange Earnings

   and Outgo
- A detailed Report on Corporate
   Social Responsibility
   Annexure 'E'
- Forms AOC-2 containing complete
   particulars of Related Party Transactions
   Annexure 'F(1) to F(10)'
- The extract of Annual Return
  of the Company in Form No. MGT-9

   Annexure 'G'
- "Secretarial Audit Report" of the company Annexure 'H'
- The explanations and comments on remarks Annexure 'I' made by the Practicing Company Secretary in
- Addendum to the Board's Report
   Annuxure 'J'









#### **ANNEXURE 'A'**

#### Company's Report on Corporate Governance

#### A. Corporate Governance

Corporate Governance revolves around following key principles, which form the base of rules and guidelines set for the corporate.

Transparency and fairness

Disclosure of the relevant information about corporate in timely and accurate manner is necessary.

Accountability

It ensures the liability of the person who takes decision for the company. Hence persons like managers, chairman, directors and other officers should be made accountable.

Independence

Independence of top management is important for smooth functioning of the corporate. Board of Directors must work without the interference of any interested party in the corporate.

Corporate Governance involves internal controls, policy and procedures which form the framework of a company's operations and its dealings with various stakeholders such as customers, management, employees, government and industry bodies. Your Company is a forerunner in the segment of having put in place a sound mechanism for Corporate Governance. TCIL's Corporate Governance framework focuses on the following:

- ensuring compliance with all relevant laws in letter and spirit.
- commitment towards transparency and maintaining a high level of disclosure.
- following ethical business standards in all our operations globally.
- having a simple and transparent corporate structure driven solely by business needs establishing the various checks and balances.
- operating with integrity is central, at all levels and in all parts of our business.
- delegation of decision making to appropriate levels in the organization, though the board remains in effective control of the affairs of the company.

The Corporate Governance structure of the Company is multi-tiered, comprising of Board of Directors at the apex level and various committees, which collectively ensure highest standards of Corporate Governance and transparency in the Company's functioning. Board is committed to ensuring there is a strong and effective

system of corporate governance in place to support the successful execution of Company's strategy. The Board exercises independent judgment in overseeing management performance and plays a vital role in the oversight and management of the Company. The Board is chaired by the Executive Chairman, who is responsible for the overall strategy development, alliances, leadership development, international opportunities, strengthening governance practices and enhancing brand value and the company's global image and reputation. The Board has complete access to all the relevant information within the Company and to all the employees of the Company.

TCIL has laid down a well-defined Code of Conduct for all the Board Members and Senior Management Personnel of the Company, which is also uploaded on the website of the Company. All Board Members and Senior Management Personnel have affirmed compliance to the Code of Conduct. A declaration signed by the CMD affirming the compliance with the Code of Conduct by the Board Members and Senior Management Personnel of the Company is attached and forms part of this Report. Also, TCIL has well-defined TCIL Conduct, Discipline and Appeal Rules applicable to all the Employees.

The report on Corporate Governance reflects ethos of TCIL and its continuous commitment to ethical business principles across its operations, lays down the best practices and the procedure adopted by the Company in line with Government of India's directives for implementation of Corporate Governance Norms for the Unlisted CPSEs and internationally followed standards of corporate governance.

#### B. Integrity Pact

TCIL had signed an MOU with Transparency International for implementation of Integrity Pact. Initially, the threshold level of Procurement which falls under this pact was Rs. 100 Million which has been reduced over the period of time. In respect of Integrity Pact Programme, the threshold value of the Tender/ Projects was Rs. 50 Million as on 31.03.2019. TCIL has also implemented the procedure of storing the signed IP documents in TCIL server. The company is also holding meetings of Independent External Monitors (IEMs) from time to time to review and oversee the implementation of Integrity Pact Programme and in this regard, Annual Report of IEMs was also submitted to CVC.

#### C. Right to Information

During the year, GGM(Postal Project) acted as the Central Public Information Officer (CPIO) as defined under the Right to Information Act, 2005. Now, GM(PC) is acting as the CPIO w.e.f. 09.05.2019.

During the year under report, 81 RTI requests have been responded as under:

-Decisions where requests accepted -57







- -Decisions where requests rejected under various provisions of RTI Act 25
- -No. of requests transferred to other Public Authorities under Section 6(3) of the Act 9

#### D. Board of Directors

During the year the Board of Directors of the company met five times on 14<sup>th</sup> May, 2018, 06<sup>th</sup> June, 2018, 9<sup>th</sup> August 2018, 31<sup>st</sup> October 2018 and 28<sup>th</sup> January, 2019.

The details as to the attendance of the Directors in the Board Meetings and the last AGM held on 25<sup>th</sup> September, 2018 and number of other directorships and committee memberships, chairmanships as on 31<sup>st</sup> March, 2019 are as follows:

Name of the		Attendance in	Atten-	Number of Directorships in other	Number of Committees (including TCIL)	
Director	Category	Board Meeting during 2018-19	dance in Last AGM	Companies (*)	Member	Chairman / Chairperson
Shri A. Seshagiri Rao	Chairman & Managing Director	5	Yes	1	Nil	1
Shri Rajiv Gupta	Director (Projects)	5	Yes	5	3	1
Shri Narendra Jain	Director (Finance)	5	Yes	1	Nil	Nil
Shri Kamendra Kumar	Director (Technical) (w.e.f. 01.08.2018)	3	Yes	1	4	Nil
Smt. Sumita Purkayastha	Director (Govt. Nominee) (upto 30.06.18)	1	NA	Nil	4	Nil
Shri Sanjeev Gupta	Director (Govt. Nominee)	5	No	Nil	5	2
Smt. Vinod Kotwal	Director (Govt. Nominee) (w.e.f. 01.08.2018)	2	No	Nil	3	Nil
Prof. Rekha Rani Jain	Independent Director	5	Yes	2	4	2

<sup>\*</sup> For number of Directorships in other Companies, only Public Limited Companies are considered. Private Limited Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013 have been excluded.

**Shri Kamendra Kumar** has been appointed as Director (Technical) w.e.f. 01.08.2018. His brief Profile is as follows:

Shri Kamendra Kumar obtained his Engineering Degree in 1982 from IIT Roorkee and did the executive management course from IIM Lucknow.

He started his career as a Scientist in DRDO and later worked in the Government Undertakings, Joint Ventures and the leading Multinationals (MNCs) like ALSTOM CEGELEC (French) and LG (Korean).

During the student life, he received the High School scholarship, Intermediate scholarship and the National Award. As a part of extra-curricular activities, he remained President of Roorkee University Students' Association, Convener of All India Youth Festival, Organizing Committee

Member of PAN-IIT Association, Member of Executive Council TEMA. He has also got rich experience of widely travelling all around the world.

His previous assignments included GM, GGM and ED in TCIL, MD in ICSIL on Deputation and the General Manager in LG Systems India Ltd. He has also worked as the Chief Public Information Officer in TCIL.

With his proven techno-commercial experience of about 35 years, and a variety of exposures with the government and private MNCs, he will be able to add the new dimensions to the growth of the TCIL.

**Ms. Vinod Kotwal** has been appointed as Director (Govt. Nominee) w.e.f. 01.08.2018. Her brief Profile is as follows:







<sup>\*</sup>Number of Committees in which a Director is a member is inclusive of Chairmanship.



Ms. Vinod Kotwal, a 1994 batch officer of IP & TAFS has around twenty four years of rich and diverse experience in the areas of telecom, administration, revenue assurance, finance and regulatory affairs. She has worked in various capacities in the Department of Telecommunications; Mahanagar Telephone Nigam Limited (MTNL); Ministry of Food Processing Industries, GoI; Economic Advisory Council to the PM; the food regulator, Food Safety and Standards Authority of India (FSSAI); and the telecom regulator, Telecom Regulatory Authority of India (TRAI). She is currently posted as DDG (FIPP) in the Department of Telecommunication, Ministry of Communication.

She did her Masters in Botany from University of Jammu followed by MBA (Finance) from Faculty of Management Studies, University of Delhi. Recently, she has also completed Advance Professional Programme in Public Administration (APPPA) from the Indian Institute of Public Administration (IIPA), New Delhi. She is currently pursuing PhD course from IIT, Delhi on the effectiveness of regulations in the street food safety.

An avid reader with an eclectic taste Ms. Kotwal has also penned articles on diverse areas ranging from gender budgeting, potential of food processing in the country, e-waste to Open Data & Digital Identity: Lessons for Aadhaar. She has also authored a book on "Decoding Codex Alimentarius Commission: A step by step guide to understanding the role and working of Codex Alimentarius Commission (2016)", a joint FAO-WHO international food standard setting body. She is also active in the work of ITU-T Study Group 3 (SG3) of the International Telecommunication Union (ITU) and holds leadership positions there.

#### Information to the Board

The Board of Directors have complete access to the information within the Company which includes Annual Revenue and Capital Budget, Periodic Statement of Accounts showing financial results of the Company, Financing Plans of the Company, Minutes of the Meeting of various Committees including Audit Committees, details of subsidiary and JV Companies, any materially relevant default, compliance/ non-compliance of any regulatory / statutory requirements.

#### **Audit Committee**

TCIL has in place an Audit Committee in terms of Section 177 of the Companies Act and also as per DPE guidelines. The Audit Committee reviews, with the management, annual financial statements before submission to the Board for approval. The Committee also oversees the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible. Reviewing the adequacy of the internal audit function including the structure of the internal audit department is also undertaken by it. The terms of reference of Audit Committee include:

- To recommend for appointment, remuneration and 1. terms of appointment of auditors of the company;
- To review and monitor the auditor's independence and performance and effectiveness of audit process;
- To examine financial statement and auditors' report
- To approve or subsequently modify transactions of the company with related parties and also determine whether a particular related party contract or arrangement or transaction is in the ordinary course of business and/or at arms' length basis;
- To scrutinize inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- To lay down internal financial controls to be followed by the company and evaluation of internal financial controls to ensure that such internal financial controls are adequate and working effectively. Internal Financial Control shall have the same meaning given in the explanation to Section 134(5)(e) of the Companies Act 2013;
- To evaluate risk management systems;
- To monitor the end use of funds raised through public offers and related matters;
- 10. To formulate scope, functions, periodicity and methodology for conducting internal audit in consultation with Internal Audit;
- 11. To oversee the vigil mechanism;
- 12. Any other matter as per DPE guidelines not specifically included above;
- 13. Any other matter which may be entrusted to Audit Committee by the Board of Directors from time to time.

#### **Powers of the Audit Committee**

- Inviting comments of auditors about Internal Control Systems and Scope of Audit.
- To investigate into any matter in relation to items specified in the above mentioned terms of reference.
- To obtain professional advice from external sources.
- d) To have full access to information contained in the records of the Company.









#### Composition

The constitution of the Audit Committee as on 31.03.2019 was as follows:

- 1. Prof. Rekha Rani Jain, Chairperson
- 2. Shri Sanjeev Gupta, Member
- 3. Ms. Vinod Kotwal, Member

The Audit Committee of the Board of Directors met five times on 14/05/2018, 06/06/2018, 09/08/2018, 31/10/2018 & 28/01/2019.

The composition and category of Members of the Audit Committee of the Board of Directors and attendance at the meeting is as under:-

Sr. No.	Name of the Directors	Designation	Category	Attendance
1.	Prof. Rekha Rani Jain	Chairperson	Independent Director	5
2.	Smt. Sumita Purkayastha	Member	Govt. Nominee Director	Nil
3.	Shri Sanjeev Gupta	Member	Govt. Nominee Director	5
4.	Smt. Vinod Kotwal	Member	Govt. Nomi- nee Director	2

<sup>\*</sup> Smt. Sumita Purkayastha ceased to be the member of the Committee w.e.f. 30.06.2018 and in her place Smt. Vinod Kotwal was appointed as member w.e.f. 01.08.2018.

#### G. Sub-committees of the Board of Directors

#### 1. Nomination & Remuneration Committee

The functions of the Nomination & Remuneration Committee include recommending to the Board the remuneration payable to employees, revision in salary, Performance Related Pay (PRP), payment of perks and general personnel policies. As on 31st March, 2019, following Directors were the Members of the Remuneration Committee:

- 1. Prof. Rekha Rani Jain, Chairperson
- 2. Shri Sanjeev Gupta, Member
- 3. Ms. Vinod Kotwal, Member

Disclosure under Section 178(4) of the Companies Act, 2013 regarding the Policy to be framed by Nomination and Remuneration Committee in respect of remuneration of Directors, KMPS, Senior Management and other Employees.

Being a CPSU, the criteria for qualifications and remuneration of Directors, Key Managerial Personnel, Senior Management and other employees is decided by the Govt. of India. However, the Ministry of Corporate Affairs has granted exemption vide notification dated 05.06.2015 except in case of Senior Management and other Employees.

#### 2. Risk Management Committee

TCIL has a Risk Management Committee of the Board which oversees the risk management function in the company

As on 31st March, 2019, the members of Risk Management Committee of Directors were as under:

- (i) Shri Sanjeev Gupta, Chairman
- (ii) Shri Rajiv Gupta, Member
- (iii) Shri Kamendra Kumar, Member
- (iv) Smt. Sumita Purkayastha, Member

## H. Name, address and contact details of the Compliance Officer:

Sh. A.V.V. Krishnan, Executive Director (Finance & Company Secretary) was the Compliance Officer of the Company till 30.04.2019. After his superannuation, Ms. Rashmi Chawla, Dy. Company Secretary is the Compliance Officer of the company till the time regular Company Secretary joins the company. The Compliance Officer can be contacted at the following numbers:

Ms. Rashmi Chawla, Dy. Company Secretary

Phone No.: 011-26202124 (O) Mobile No.: 9871384994

E-mail : rashmi.chawla@tcil-india.com

#### I. Annual General Meetings (AGMs):

The details of last 3 Annual General Meetings of the Company are as under:

No. of AGM	Financial Year	Date	Time	Venue	Special Resolutions Passed
40 <sup>th</sup>	2017-2018	25.09.2018	12:00 hrs.	TCIL Bhawan	2
39 <sup>th</sup>	2016-17	28.09.2017	12:15 hrs	TCIL Bhawan	1
38 <sup>th</sup>	2015-16	22.09.2016	12:15 hrs.	TCIL Bhawan	NIL

#### J. Disclosures:

- **(a) Subsidiary Company:** The Audit Committee of the Company is not required to review the financial statement of the subsidiary companies in terms of DPE Guidelines as the turnover or net worth of the subsidiary companies are less than 20% of Turnover/net worth of TCIL.
- **(b) Disclosure of the materially significant related party transactions:** Details of the Related Party Transactions as per Accounting Standard –18 forms part of the Notes to the Accounts. Also Forms AOC-2 containing complete particulars of Related Party Transactions are attached as Annexure 'F(1) to F(10)'
- (c) Disclosure of Accounting Treatment: Company





follows the Accounting Standards issued by the Institute of Chartered Accountants of India in the preparation of Financial Statements. Company has not adopted a treatment different from that prescribed in any of the Accounting Standard.

(d) During the year under review, the Company has generally complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India.

#### **K.** Training of Board Members:

The new Directors are given orientation and induction regarding company's vision, core value including ethics, financial matters, business operations, risk matters. The normal practice is to furnish booklets, brochures, Annual report, MOU signed with administrative ministry, Memorandum & Article of Association of the company, guidelines on Corporate Governance etc.

Apart from above, Directors are also nominated for training on Corporate Governance and other subjects conducted by DPE and other Institutions. During the year, the Directors attended the following training:

(a) Shri N. Jain, Director (Finance), attended training organized by Ministry of Communications, DOT on 'FDI in Telecom Sector, The Way Ahead' on 25/09/2018 at New Delhi & training organized by Confederation of Indian Industry on 'Making PSEs Future Ready' on 27/09/2018 at New Delhi.

(b) Shri Kamendra Kumar, Director (Technical) attended 16th Corporate Governance Program organized by SCOPE on 14th & 15th Mach 2019 at New Delhi.

#### L. Whistle Blower Policy / Vigil Mechanism:

Your Company has in place a Whistle Blower Policy / vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of your Company's Code of Conduct. Adequate safeguards are provided against victimization to those who avail of the mechanism is provided. The Whistle Blower Policy / Vigil Mechanism of the company is available on the website of the company.

#### M. Means of Communication

Annual results to the shareholders are sent by way of Annual report.

#### N. Posting of information on the web site of the Company:

Annual results of TCIL, tenders and career opportunities are posted on Company's website: www.tcil-india.com







#### **ANNEXURE "B"**

#### **MANAGEMENT DISCUSSION & ANALYSIS**

#### A. INDUSTRY STRUCTURE AND DEVELOPMENTS

India's economy is growing at a healthy rate and has been progressing on a journey of becoming a digital nation, powered by digital highways i.e. the mobile broadband infrastructure created by the telecommunications sector. The Telecom industry in India is the second largest in the world and has witnessed exponential growth over the last few years primarily driven by affordable tariffs, wider availability, roll out of Mobile Number Portability ('MNP'), expanding 4G coverage, evolving consumption patterns of subscribers and a conducive regulatory environment. The growth is expected to continue with increased tele-density in rural areas and higher adoption and shipments of affordable smart phones.

This significant growth pace and the rapid transformation have largely been possible, thanks to the innovation-led approach adopted by industry players, a growing demand in the domestic sector, and strong support from policy initiatives. There is no doubt that the industry is touching newer heights with the high network expansion and rollout, especially in rural and semi-rural areas. But, as the broadband internet subscriber base continues to surge, the telecom sector needs to address the challenge of a growing demand for high-speed connectivity among users. The growing receptiveness to explore possibilities with newer technologies is a positive sign but the industry is still far from leveraging its full potential.

Reliance Jio, one of the recent players, has sparked a wave of disruption with an aggressive approach and increased focus on rural and remote regions. The 4G telco is connecting more than 400 LTE sites largely in remote and hilly locations which are beyond the reach of terrestrial backhaul services through a satellite backhaul-based network. The government of India has introduced the Digital India program under which all the sectors such as healthcare and retail will be connected through the internet. The Department of Information Technology intends to set up over 1 million internet-enabled common service centers across India as per the National e-Governance Plan.

Among the various technologies, the recent developments such as LTE and emergence of IoT technologies have seen tremendous interest from industry counterparts. Various service providers have already launched VoLTE services in select regions. The government's vision for smart cities has also provided the much-needed impetus to adoption and investment in newer industrial technologies including the likes of the Internet of Things (IoT). The Indian government is planning to develop 100 *Smart City* projects, where IoT would play a vital role in the development of those cities.

Going into 2020, we are looking at a host of new challenges and opportunities as well. And it is going to be the survival of the fittest at the end of the day. To cope up with swift changing technological advancement, TCIL is diversifying its operations into e-procurement, e-governance, cellular

mobile telephony. Satellite Telephony, OPGW Networking, 3G/4G technologies and Green Technologies.

#### B. **SWOT ANALYSIS**

#### **Strength:**

TCIL's strength lies in its quick adaptability to the rapidly changing demands of the market. TCIL is recognized as a preferred implementation partner as is evident from our repeat orders with various country governments and also in country with the Ministry of External Affairs. TCIL's trademark is its quality conscious work.

TCIL's strength includes the following:

- Government of India lineage and support.
- Presence in 65 countries, registered partner with several country govts and telecom ministries.
- 48 years of brand building and a perfect track record.
- In-house capacities to work in the most challenging terrains across India and in several other countries for eg; Middle East, CLMV countries and Africa.
- Strong International partnerships providing Technical expertise
- Robust presence in Telecom, IT and Infrastructure Sectors.

#### Weakness:

- Low margins due to stiff competition in the market.
- High working capital requirement due to change in Business Model to BOT / Deferred Payment Contracts.
- Reactive business acquisition model by responding to tenders and RFPs
- High dependence on OEM Manufacturers being a purely services/ Project execution and Management company.
- Reduced projects from parent Ministry or sister PSUs on nomination basis.
- Disqualification from bidding in Telecom tenders by BSNL due to Company being Partner in TSPs in India and Nepal.

#### **Opportunities:**

- The rise of 5G networks promises to spark an enormous wave of change
- Accelerating growth of Tele-density in India
- Deployment of Internet of Things (IoT) in various consumer and enterprises solutions such as asset tracking, smart appliances, smart metering, security and surveillance.
- IT adoption by various Govt. and Govt. bodies through GOI focus on Digital India and e-Kranti
- Capacity building for Cyber Security
- Significant opportunities arising by the internet across payment mechanisms, e-commerce, m-commerce, artificial intelligence, blockchain etc.
- Growing mobile telephony, mobile Internet and big data will create tremendous opportunities for telecom operators.







- Opportunities in cloud computing, rural telephony, value added services & managed services
- Creation of telecom infrastructure in rural and remote areas.
- New avenues opened by National Digital Communications Policy 2018
- Increased focus on Cyber Security
- Enhanced Opportunities in IT and large infrastructure projects in broadband / FTTH.
- Introduction of new vertical Railway Signaling and all Railway related projects.

#### **Threats:**

The major challenges faced by the Company are:

- Lack of funding for Telecom projects by Multilateral **Funding Agencies**
- Changing landscape of telecom and civil industry
- Competition from OEM manufactures and small
- Lack of funds in African countries
- Tendering of projects on Deferred Payment Model by the Governments
- Substantially decreased margins in global tenders on account of increased competition
- Pace of product innovation remains high
- Volatility in currencies due to global macro-economic uncertainties and global trade tensions

#### C. <u>SEGMENT-WISE PERFORMANCE</u>

The segment wise performance of TCIL for the year 2018-19 is as follows:

Sector-wise Revenue	Figure in Millions (Rs.)
Primary	
Telecom	6,541
Civil	2,874
Consultancy and Service Contract	4,686
Trading Activities	1,879
Other Operating Revenue	182
Secondary	
Inland Projects	9,967
Foreign Projects	6,195

#### D. OUTLOOK

TCIL has thrived globally by building a culture of innovation and high performance. The Company explores new markets and business models across the world; evolves new ways of customer and stakeholder engagement; enters into new strategic partnerships; adopts new technologies; and builds exponential efficiencies in existing systems. With strong presence, unique brand and an unflinching focus on serving the customer, the company is truly well poised to capitalize on the growth opportunities that the future heralds. TCIL is

now focusing on the new frontiers of Artificial Intelligence, Cyber Security, Cyber Cities and more. Some of the areas which we are looking forward to concentrate in the coming years are as follows:

- To focus on e Networks including Health, Education, Disaster management, Homeland security, Green Telecom and Cyber security
- To diversify into Smart Cities and Smart Buildings.
- To provide cost effective eco friendly network technologies for building new Telecom & IT networks and upgrade legacy networks.
- To execute O&M contracts in the IT and Telecom fields by utilising TCIL's expert technical manpower.
- To develop Telecom & IT training infrastructure abroad.
- To aggressively participate in Digital India programme including e-Governance, m-Governance and Broad Band Highways
- To provide managed services including Software as service to Government and MSME Segment.
- To aggressively move forward in power sector, particularly the new and renewable energy.
- To carry out project management of Infrastructure projects including Highways, Building and Power projects.
- To facilitate Project Management Unit (PMU) setup for implementation of large value projects.
- IoT, blockchain, M2M, big data, AR/VR and artificial intelligence.
- Focus on Broadband Multimedia Convergent Service Networks.
- Green Telecom, 5G Networks and ICT Development.

#### E. RISKS AND CONCERNS/ RISK MANAGEMENT **POLICY**

Digitization is reshaping the telecom sector and will be a key driver for innovation within the Company as companies compete in a digital ecosystem away from pure connectivity based environment. Further evolving technologies result in change in customer value propositions.

Risk is an inherent aspect of the dynamic business environment and that managing risk effectively is critical to the immediate and future success of the Company. Effective management of risk helps to manage innovation and improve performance by contributing to:

Increased certainty and fewer surprises,





- Better service delivery,
- More effective management of change,
- More efficient use of resources,
- Better management at all levels through improved decision making,
- Reduced waste and fraud, and better value for money,
- Innovation,
- Management of contingent and maintenance activities.

The Company has created a robust risk management framework in its operating landscape that caters to strategic, legal, financial, operational and climate risks. The Company has a sound practice to identify key risks and prioritize relevant action plans for mitigation.

The risk management system of the company is overseen by an Internal Risk Management Committee headed by an officer of the rank of General Manager. Your Company has also constituted a Board level Risk Management Committee to review the recommendations of the Internal Committee. The compositions and details of the said Committee are set out in the Corporate Governance Report forming part of the Annual Report. The Committee / Board periodically examines the risks and suggest steps to be taken to control and mitigate the same through a properly defined framework. Company is also taking various remedial measures on the basis of advice of the Risk Management Committee.

In addition to above, your company has a well defined Risk Management Policy approved by the Board of Directors. The objective of this Policy is to have a well defined approach to risk. The Policy provides entity level risk guidelines encompassing:

- -Comprehensive and timely identification, measurement, mitigation, controlling, monitoring and reporting of risks
- -Appropriate management information systems (MIS) at the business level
- -Comprehensive internal controls in accordance with current regulations

This will ensure that risks are adequately compensated or mitigated. As per the policy, the role of the Risk Management Committee shall be:

- 1) To assist the Board in fulfilling its Corporate Governance ideals in overseeing the responsibilities with regard to evaluation and mitigation of operational strategic and external environment risk (s).
- 2) To monitor and approving the risk policies and associated practices of the Company.
- 3) To review and approve various statements disclosures.
- 4) To provide assistance and improve the quality of the decision making throughout the organization.

The above Policy was reviewed by the Risk Management Committee and the Board in their meeting held on 14<sup>th</sup> May, 2018. The existing role of the Risk Management Committee has been enhanced to include the following:

- 1) To review the risk management plan and ensuring its effectiveness.
- 2) To proactively identify the emerging risks, to do risk evaluation and risk prioritization along with development of risk mitigation plans and action taken to minimize the impact of the risk.
- 3) To undertake such other functions, as may be assigned by the Board of Directors from time to time, or as may be stipulated under any law, rule or regulation for the time being in force.

### F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has deployed a robust framework of internal controls that facilitates efficient conduct of business operations in compliance with the company policy; fair presentation of our financial results in a manner that is complete, reliable and understandable; ensure adherence to regulatory and statutory compliances; and safeguards investor interest by ensuring the highest level of governance. The Internal Control framework has been set up across the company.

The Company's philosophy towards internal controls is based on the principle of healthy growth with a proactive approach to risk management. The Company has in place adequate tools, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors.

The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of the company's internal control, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the management and reviewed by Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the company. The Internal Audit function is also responsible to assist the Audit & Risk Management Committee on an independent basis with a full status of the risk assessments and management.

## G. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is placed at Annexure 'D' of Board's Report.

#### H. CORPORATE SOCIAL RESPONSIBILITY

Separate section on Corporate Social Responsibility is included as Annexure 'E' of Board's Report.









#### ANNEXURE 'C'

#### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. In Lakhs)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	TCIL Bina Toll Road Limited
2.	The date since when Subsidiary was acquired	11.07.2012
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding company
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
5.	Share capital	1,957.00
6.	Reserves & surplus	(4,063.79)
7.	Total assets	11,069.57
8.	Total Liabilities	13,176.36
9.	Investments	
10.	Turnover	524.56
11.	Profit before taxation	( 521.88)
12.	Provision for taxation	
13.	Profit after taxation	( 521.88)
14.	Proposed Dividend	
15.	Extent of shareholding (in percentage)	100

Sl. No.	Particulars	Details
1.	Name of the subsidiary	TCIL Lakhnadone Toll Road Limited
2.	The date since when Subsidiary was acquired	21.08.2013
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding company
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
5.	Share capital	2,311.00
6.	Reserves & surplus	(653.37)
7.	Total assets	8876.02
8.	Total Liabilities	7218.38
9.	Investments	
10.	Turnover	668.78
11.	Profit before taxation	(5.81)
12.	Provision for taxation	
13.	Profit after taxation	(5.81)
14.	Proposed Dividend	-
15.	Extent of shareholding (in percentage)	100

Note - Figures in braket show negative figures

Executive Director (F&A)

Dy. Company Secretary

Director (Finance) DIN 06942419

A.Seshagiri Rao

Chairman & Managing Director DIN 06364174

Date: 26.08.2019 Place: New Delhi





Sl. No.	Particulars	Details
1.	Name of the subsidiary	Tamilnadu Telecommunication Limited
2.	The date since when Subsidiary was acquired	13.05.1988
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding company
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
5.	Share capital	4,567.62
6.	Reserves & surplus	(14,789.86)
7.	Total assets	2,062.82
8.	Total Liabilities	12285.06
9.	Investments	
10.	Turnover	5.46
11.	Profit before taxation	(1570.55)
12.	Provision for taxation	
13.	Profit after taxation	(1570.55)
14.	Proposed Dividend	-
15.	Extent of shareholding (in percentage)	49%

Sl. No.	Particulars	Details
1.	Name of the subsidiary	TCIL Oman LLC
2.	The date since when Subsidiary was acquired	17.09.2008
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.01.2018 TO 31.12.2018
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries  Omani Riyal 1 OR = Rs. 179.80 (closing rate)	
5.	Share capital	269.70
6.	Reserves & surplus	1.16
7.	Total assets	272.27
8.	Total Liabilities	1.41
9.	Investments	
10.	Turnover	1.00
11.	Profit before taxation	( 0.05)
12.	Provision for taxation	
13.	Profit after taxation	(0.05)
14.	Proposed Dividend	
15.	Extent of shareholding (in percentage)	70%

Note: Figures in Bracket show negative figures.

Executive Director (F&A)

Dy. Company Secretary

Director (Finance) DIN 06942419

A.Seshagiri Rao Chairman & Managing Director DIN 06364174

Date: 26.08.2019 Place: New Delhi





Sl. No.	Particulars	Details
1.	Name of the subsidiary	TCIL USA Inc
2.	The date since when Subsidiary was acquired	29.11.2018
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	29.11.2018 TO 31.03.2019
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	US Dollar 1 USD = Rs. 69.2025 (closing rate) (as on 31.03.2019)
5.	Share capital (Share application money)	47.83
6.	Reserves & surplus	(0.24)
7.	Total assets	48.58
8.	Total Liabilities	1.00
9.	Investments	-
10.	Turnover	-
11.	Profit before taxation	(0.25)
12.	Provision for taxation	-
13.	Profit after taxation	(0.25)
14.	Proposed Dividend	-
15.	Extent of shareholding (in percentage)	100%

**Notes:** The following information shall be furnished at the end of the statement:

- 1. Names of subsidiaries which are yet to commence operations N.A.
- 2. Names of subsidiaries which have been liquidated or sold during the year. N.A.
- 3. Balance Sheet is consolidated for the period from 01.04.2018 to 31.03.2019
- 4. Figures in Bracket show negative figures.

Executive Director (F&A)

Dy. Company Secretary

Director (Finance) DIN 06942419

A.Seshagiri Rao Chairman & Managing Director DIN 06364174

Date: 26.08.2019 Place: New Delhi



#### Part "B": Associates and Joint Ventures

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)

S No.	Name of associates/ Joint Ventures	TBL Inter- national Ltd. (TBL)	Bharti Hexacom Limited (BHL)	United Tele- com Limited (UTL)	Intelligent Communication Systems India Limited (ICSIL)	Telecommunications Consultants Nigeria Limited
1.	Latest audited Balance Sheet Date	31.03.2019 (Audited)	31.03.2019 (Audited)	31.03.2019 (Unaudited)	31.03.2019 (Unaudited)	-
2.	Date on which the Associate or Joint Venture was associ- ated or acquired	16.06.1989	20.04.1995	10.10.2001	01.04.1987	15.06.1982
3.	Shares of Associate/ Joint Ventures held by the company on the year end					
	No.	87,641	75,000,000	5,731,900	36,000	26,000
	Amount of Invest- ment in Associates/ Joint Venture	8,372,675	1,062,000,000	358,419,250	3,600,000	NIL
	Extend of Holding%	44.94%	30%	* 26.66%	36%	40%
4.	Description of how there is significant influence	Due to percentage of Share Capital held	Due to percentage of Share Capital held	Due to percentage of Share Capital held	Due to percentage of Share Capital held	Due to percentage of Share Capital held
5.	Reason why the associate/ joint venture is not consolidated	N.A.	N.A.	N.A.	N.A.	Refer Note 3 below
6.	Net worth attributable to shareholding as per latest audited Balance Sheet (Rs. In Lakhs)	166.65	173028.00	(5224.77)	946.39	
7.	Profit/Loss for the year (Rs. In Lakhs)					
	i)Considered in Consolidation	(20.91)	( 21,651.00)	NIL	107.03	-
	ii)Not Considered in Consolidation	-	-	-	-	Refer Note 3 below

Effective shareholding reduced to 12.48%

- 1. Names of associates or joint ventures which are yet to commence operations.- N.A.
- 2. Names of associates or joint ventures which have been liquidated or sold during the year. N.A.
- 3. There are no transactions in case of Joint Venture Company in Nigeria namely, Telecommunications Consultants Nigeria Limited. The same is defunct for a number of years. Accordingly, not considered in consolidation
- 4. Figures in Bracket show negative figures.

A.K. Jain
Executive Director (F&A)

Rashmi Chawla

Dy. Company Secretary

N.Jain Director (Finance) DIN 06942419

**A.Seshagiri Rao** Chairman & Managing Director DIN 06364174

Date: 26.08.2019 Place: New Delhi





#### **ANNEXURE 'D' TO THE BOARDS' REPORT**

#### (A) CONSERVATION OF ENERGY

TCIL is committed to trim down and reduce the environmental footprint of their business and operations. We are also continuously in search of more energy efficient technologies and innovative solutions for a greener future. Our efforts are focused towards reducing our direct and indirect environmental impact. Although, TCIL is not a manufacturing concern, hence there is no significant consumption of energy in its operations.

Some of the important energy conservation measures taken during the past few years are given as under:

- The recommendations of the auditors have been fully followed in order to conserve the electricity load and accordingly, consumption has been reduced.
- LED based lighting in all the floors is being installed in a phased manner.
- The lifts in TCIL HQ has been refurbished with energy efficient components (Motors, controllers etc.)
- A computerized micro processor based Building Management System has been provided in the Building for operation and monitoring the various Building Services.
- Solar Power Plant of 3.6 KWp capacity has been installed to cater to Street Lighting within TCIL Compound, thereby saving energy requirements, following the system of energy usage ontime/presence basis only.
- The air conditioners of all buildings is switched off by 7.00 p.m. in the evening till morning 9.00 a.m.
- Before leaving office, every employee ensures Switching off desk computers/laptops and Switching off Lights.

#### (B) TECHNOLOGY ABSORPTION

Technology has forever changed the world we live in. Businesses are constantly under pressure to keep up with ever-changing technology advancements. Technological change can bring about advantages and opportunities for businesses. The Company is constantly using new technologies at all levels to keep pace with the changing demands. Employees of the company at various levels are sponsored for advanced level Training programmes, Seminars and Conferences etc. for development of Technical Knowhow. Structured internal trainings are also imparted to the team of engineers for their skill development and grooming. PMP Training has been made compulsory for all the executives at the time of their promotion to the next cadre.

#### (C) FOREIGN EXCHANGE EARNING AND OUTGO

The total foreign exchange earnings and outgo for the financial year under review is as follows:

a. Total Foreign Exchange earned: US\$ 8.89 Million (Rs. 615 Million)

b. Total Foreign Exchange outgo: US\$ 0.72 Million (Rs.50 Million)

The total foreign exchange repatriated so far to our country is amounting to US\$ 278.71 Million since inception.











#### **ANNEXURE 'E'**

#### Format for the Annual Report on CSR Activities to be included in the Board's Report

#### A brief outline of Company's CSR policy, including overview of projects or programs to be undertaken and a reference to the web-link to the CSR policy and projects or programs

TCIL is committed to conduct business in a socially, economically and environmentally responsible and sustainable manner, which enables the creation and distribution of wealth for the betterment of all its stakeholders, internal as well as external, through the implementation and integration of ethical systems and sustainable management practices. For this TCIL had laid a balanced emphasis on all aspects of corporate social responsibility and sustainability with regard to its internal operations, activities and processes, as well as undertake initiatives and projects to facilitate capacity building, empowerment of communities, inclusive socio-economic growth, environment protection, promotion of green and energy efficient technologies, development of backward regions, and upliftment of the marginalized and under-privileged sections of the society.

The term Sustainability has been used in conjunction with CSR in the title of DPE Guidelines because CSR activities, which are envisaged in the Act and in the CSR rules, can be supplemented with sustainability initiatives as both aim at achieving sustainable development goals.

The CSR Committee so constituted formulated Policy on Corporate Social Responsibility (CSR Policy) and the Board of Directors of the Company ('Board') has approved the same as per recommendation of CSR Committee.

Web link: https://www.tcil-india.com/corporate\_social\_responsibility.php

Corporate Social Responsibility activities for 2018-19

#### Project 1: Skill development through Telecom Sector Skill Council

As per the MOU signed between Department of Telecom and Ministry of Skill Development and Entrepreneurship to develop and implement National Action Plan for Skill Development in Telecom Sector, an agreement is signed between TCIL & Telecom Sector Skill Council (TSSC) for Skill development training in the field of Telecom.

**CSR funds allocated**: Rs.18.82 lakhs (Eighteen lakhs eighty two thousand only)

Impact: A total of 240 students were trained under TCIL Skill Development initiative in the field of Call Centre Executive operations.

Location: Indore, Madhya Pradesh

Job Role: Customer care executive (call center) Telecom

Implementing Agency: Telecom Sector Skill Council (Registered Society)

**Project 2: School Education and Healthcare** 

School Education: Supply Installation of Smart classroom equipment at Haridwar, Uttarakhand (aspirational district): Tendering process to select implementation agency is underway. Government schools in Haridwar, Uttarakhand has been identified in consultation with district administration for implementation of Smart class room initiative.

**CSR funds allocated**: Rs.32.72 lakhs (Thirty two lakhs seventy two thousand only)

Heath Care - Supply Installation of safe drinking water system equipment: 2 no. of Atmospheric water generator equipments are being installed in the following locations:

- 1. Dwarkadhish Temple, Dwarka, Gujarat
- 2. Abdul Kalam Memorial Rameshwaram, Tamil Nadu.

**CSR funds allocated**: Rs.22.8 lakhs (Twenty two lakhs eighty thousand only)

**Project 3: Contribution to Swachh Bharat Kosh** 

www.tcil-india.com



11/29/2019 8:32:40 PM







An amount of Rs 3.63 lakhs (Three lakhs sixty three thousand only) has been contributed towards Swachh Bharat Kosh which is covered under item-I (improving sanitation) of Schedule VII of the Companies Act.

Project 4: Funding to startup for project feasibility study and prototype development of technology to capture and transmit brake discs engagement / disengagement on actuation for two coaches of (LHB) of Indian railways through image based data and applying data analytics /AI technologies (schedule VII clause 9 of Companies act 2013)

**CSR funds allocated**: Rs.8.85 lakhs (Eight lakhs eighty five thousand only)

Safety is the most critical aspect for Indian Railways as it is the common mode of public transport and common logistics to major industries. Hence safety of the railways is directly related to the passenger and goods safety.

The increased human error is because the work is tedious. Most of the testing's and operations are done manually. It is multiplied by the train frequencies which makes it a tedious process. Constant pressure on the staff leads to fatigue hence resulting in improper actions leading to severe accidents.

Current signaling system is not embedded with real time monitoring system to know the whereabouts of the trains and make decisions accordingly. Real-time information relating to track occupancy status as well as the composition status will enable the siding managers to make right decisions.

The aim is to make Indian Railways completely safe and efficient through breakthrough technologies to increase the safety features of the railways. Along with the safety the aim is to provide better asset management system so that efficiency can be increased.

Implementing Agency: M/s Lab to Market.

M/s Lab to market Innovations pvt. Ltd is being incubated as a startup for Society for innovation and development (SID), Indian Institute of Science, Bangalore. (Deemed university under GOI, Ministry of HRD)

Project 5: Internet bandwidth charges for Tele-education project till June 2018.

CSR funds allocated: Rs.1.12 lakhs (One Lakh twelve thousand only)

**Project 6: Administrative Overheads** 

**CSR funds allocated**: Rs.4.6 lakhs (Four Lakh and sixty thousand only)

#### 2. The Composition of the CSR committee

The Chairperson and Members of the Committee are as follows:

S.No.	Name	Designation	Chairman / Member
1.	Shri Sanjeev Gupta	Director (Govt. Nominee) Chairman	Chairman
2.	Prof. Rekha Jain	Independent Director Member	Member
3.	Shri Rajiv Gupta	Director (Projects) Member	Member

#### 3. Average net profit of the company for last three financial years

Average net profit for last three financial years is negative (excluding profit of foreign projects/dividend received, as per CSR rules). However, voluntarily 2% of PAT of the preceding year is taken as the budget for CSR activities for FY 2018-19.

PAT for FY 2017-18: Rs 48.08 crores Budget for CSR: Rs 92.16 lakhs

#### 4. <u>Prescribed CSR Expenditure</u>

Rs 92.54 lakhs (budget includes Rs.0.38 lakhs carry forward from previous year)









#### 5. Details of CSR spent for the financial year 2018-19:

- a) Total amount spent for the financial year: Rs 28.17 lakhs
- b) Amount unspent: Rs. 64.37 lakhs
- c) Manner in which the amount was spent for the financial year is detailed below:

(Figures in Rupees)

S. No	CSR Projects/activities identified	Sector in which the project is covered	Projects or programs 1)Local area or other 2)Specify the state and district where projects undertaken	Amount outlay (budget) project or program wise	Amount spent on projects or programs. Subheads: 1)Direct expenditure on projects or programs 2)Overheads	Cumulative expendi- ture upto reporting period 2018-2019	Amount Spent: Direct or through implementing agency.
1	Skill development through Telecom Sector Skill Council 2018-19	Schedule VII, item-II (Promoting education)	Indore, Mad- hya Pradesh	18.82 lakhs	18.82 lakhs	18.82 lakhs	Project implemented by Telecom Sector Skill Council
2	Contribution to Swachh Bharat Kosh	Schedule VII, item-I (Improving Sanitation)	Swachh Bharat Kosh	3.63 lakhs	3.63 lakhs	3.63 lakhs	Direct contribution
3	School Education: Sup- ply Installation of Smart classroom equipment at Haridwar, Uttarakhand (aspirational district)	Schedule VII, item-II (Promoting education)	Haridwar, Uttarakhand	32.72	-	-	Direct
4	Heath Care - Supply Installation of safe drinking water system equipment	Schedule VII, item-I (Making available safe drinking water)	Dwarka, Gujarat Rameshwaram, Tamil Nadu	22.8	-	-	Direct
5	Funding to startup for project feasibility study and prototype development of technology to capture and transmit brake discs engagement / disengagement on actuation for two coaches of (LHB) of Indian railways through image based data and applying data analytics /AI technologies	(schedule VII clause 9 of Companies act 2013)	-	8.85	-	-	Lab to Market. Lab to market Innovations pvt. Ltd is being incubated as a startup for Society for innovation and develop- ment (SID), Indian Insti- tute of Science, Bangalore. (Deemed university under GOI, Ministry of HRD)
6	Internet Bandwidth charges for Tele-education project till June 2018	Schedule VII, item-II (Promoting education)	Basti, Uttar Pradesh Gonda, Uttar Pradesh	1.12 lakhs	1.12 lakhs	1.12 lakhs	Direct
7	Administrative Overheads of CSR2018-19			4.6 lakhs	4.6 lakhs	4.6 lakhs	
8	Skill development through Telecom Sector Skill Coun- cil 2017-18	Schedule VII, item-II (Promoting education)	Indore, Har- da & Khar- gone, Madhya Pradesh		5.6 lakhs	5.6 lakhs	Project implemented by Telecom Sector Skill Coun- cil. 20% remaining balance pertaining to 2017-18
9	Installation solar lights in Ghazipur 2017-18	Schedule VII, item- VI (Environment sustainability)			5.78 lakhs	5.78 lakhs	Direct
10	Tele-education Network for delivering education in under developed regions 2016-17	Schedule VII, item-II (Promoting education)	Basti, Uttar Pradesh Shrawasti, Uttar Pradesh Purnia, Bihar		2.1 lakhs	2.1 lakhs	Direct
11	Installation of Handpumps in Ghazipur, Uttar Pradesh 2017-18	Schedule VII, item-I (Making available safe drinking water)	Ghazipur, Uttar Pradesh		11 lakhs	11 lakhs	Jal Nigam, Ghazipur
	TOTAL			92.54 lakhs	52.65 lakhs	52.65 lakhs	







## 6. <u>Incase the company has failed to spend the two percent</u>, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report

(Figures in Rupees)

0.37	COR P. I.	COD I I			(Figures in Rupees)
S. No.	CSR Project	CSR budget	Amount Spent	Amount Unspent	Reason
1.	School Education: Supply Installation of Smart classroom equipment at Haridwar, Uttarakhand (aspirational district)	32.72 lakhs	-	32.72 lakhs	As per DPE office Memorandum: CSR-08/0002/2018-Dir (CSR), dated 10th Dec 2018 and Letter from Ministry of HRD, Department of School Education & Literacy, dated 21st Dec 2018, 60% of CSR fund (55.52 lakhs) was allocated towards School Education and Healthcare in last quarter of FY 2018-19.
					Funds are allocated and schools have been identified in Haridwar, Uttarakhand (aspirational district) in consultation with district administration. Budget is carry forwarded and project is under progress.
2	Heath Care - Supply Installation of safe drinking water system equipment	22.8 lakhs	-	22.8 lakhs	As per DPE office Memorandum: CSR-08/0002/2018-Dir (CSR), dated 10th Dec 2018 and Letter from Ministry of HRD, Department of School Education & Literacy, dated 21st Dec 2018, 60% of CSR fund (55.52 lakhs) was allocated towards School Education and Healthcare in last quarter of FY 2018-19.  Funds are allocated and locations to install the atmospheric water
					generator have been identified. Budget is carry forwarded and project is under progress.
3	Funding to startup for project feasibility study and prototype development of technology to capture and transmit brake discs engagement / disengagement on actuation for two coaches of (LHB) of Indian railways through image based data and applying data analytics / AI technologies	8.85 lakhs	-	8.85 lakhs	Budget to fund the technology incubator is approved in April 2019 and is carry forward. The project is under progress.
				64.37 lakhs	

7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.

Implementation of CSR activities is in compliance with Companies Act, 2013 & DPE guidelines and to meet the CSR objectives and policy of the Company.

(Chairman and Managing Director)

(Chairperson, CSR & S Committee)

San ful





#### ANNEXURE 'F(1)'

#### Form No. AOC-2

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis	N.A.
(a) Name(s) of the related party and nature of relationship	N.A.
(b) Nature of contracts/arrangements/transactions	N.A.
(c) Duration of the contracts/arrangements/transactions	N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e) Justification for entering into such contracts or arrangements or transactions	N.A.
(f) Date(s) of approval by the Board	N.A.
(g) Amount paid as advances, if any:	N.A.
(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	N.A.
2. Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	TCIL Bina Toll Raod Limited (TBTRL)-Subsidiary
(b) Nature of contracts/arrangements/transactions	Additional unsecured loan to TBTRL of Rs. 10.08 Crores
(c) Duration of the contracts/arrangements/transactions	As per the terms of agreement between TCIL and TBTRL and amendments thereon.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Grant of additional subordinated unsecured loan upto Rs. 10.08 Crores to TBTRL by TCIL for financial year 2018-19 at the interest rate of TCIL's cost of borrowings from banks for overdraft to TCIL
(e) Date(s) of approval by Board, if any:	235 <sup>th</sup> Meeting of the Board of Directors of TCIL held in Lalit Hotel, Srinagar on 14.05.2018
(f) Amount paid as advances, if any:	As per the details given above.



A. Seshagiri Rao CMD - TCIL DIN: 06364174





#### ANNEXURE 'F(2)'

#### Form No. AOC- 2

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis	N.A.
(a) Name(s) of the related party and nature of relationship	N.A.
(b) Nature of contracts/arrangements/transactions	N.A.
(c) Duration of the contracts/arrangements/transactions	N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e) Justification for entering into such contracts or arrangements or transactions	N.A.
(f) Date(s) of approval by the Board	N.A.
(g) Amount paid as advances, if any:	N.A.
(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	N.A.
2. Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	TCIL Lakhnadone Toll Road Limited (TLTRL) - Subsidiary
(b) Nature of contracts/arrangements/transactions	Additional unsecured loan to TLTRL of Rs. 4.44 crore
(c) Duration of the contracts/arrangements/transactions	As per the terms of agreement between TCIL and TLTRL and amendments thereon
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	The grant of additional subordinated unsecured loan upto Rs. 4.44 Cr. to TLTRL by TCIL for financial year 2018-19 at the interest rate of TCIL's cost of borrowing from bank for overdraft to TCIL.
(e) Date(s) of approval by Board, if any:	235 <sup>th</sup> Meeting of the Board of Directors of TCIL held in Lalit Hotel, Srinagar on 14.05.2018
(f) Amount paid as advances, if any:	As per the details given above.

AB

A. Seshagiri Rao CMD - TCIL DIN: 06364174



#### ANNEXURE 'F(3)'

#### Form No. AOC-2

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis	N.A.
(a) Name(s) of the related party and nature of relationship	N.A.
(b) Nature of contracts/arrangements/transactions	N.A.
(c) Duration of the contracts/arrangements/transactions	N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e) Justification for entering into such contracts or arrangements or transactionS	N.A.
(f) Date(s) of approval by the Board	N.A.
(g) Amount paid as advances, if any:	N.A.
(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	N.A.
2. Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	TCIL Bina Toll Road Limited (TBTRL) & TCIL Laknadone Toll Road Limited (TLTRL) - Subsidiaries
(b) Nature of contracts/arrangements/transaction	Agreement between TCIL & TBTRL and TCIL & TLTRL for financial assistance by TCIL
(c) Duration of the contracts/arrangements/transactions	01.04.2017 onwards
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Treatment of interest expenses on subordinated unsecured loan from TCIL to TBTRL & TLTRL as contingent liability in the books of TLTRL and TBTRL, till the companies are in a position to generate cash surplus to pay the interest to TCIL or TCIL decides to exit from respective SPV whichever is earlier.
(e) Date(s) of approval by the Board, if any:	235 <sup>th</sup> Meeting of the Board of Directors of TCIL held in Lalit Hotel, Srinagar on 14.05.2018
(f) Amount paid as advances, if any:	N.A.

A. Seshagiri Rao CMD - TCIL DIN: 06364174







#### ANNEXURE 'F(4)'

#### Form No. AOC- 2

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis	N.A.
(a) Name(s) of the related party and nature of relationship	N.A.
(b) Nature of contracts/arrangements/transactions	N.A.
(c) Duration of the contracts/arrangements/transactions	N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e) Justification for entering into such contracts or arrangements or transactions	N.A.
(f) Date(s) of approval by the Board	N.A.
(g) Amount paid as advances, if any:	N.A.
(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	N.A.
2. Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	Tamil Nadu Telecommunication Limited-Subsidiary
(b) Nature of contracts/arrangements/transaction	Modification of agreement with Tamil Nadu Telecommunications Ltd. (TTL)
(c) Duration of the contracts/arrangements/transactions	Financial assistance to TTL has been extended upto 28th February 2018 only
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Board also advised that efforts to outsource TTL operations to private party should be made again in line with earlier Audit Committee/Board decision. The Board further advised that efforts should also be made again to find strategic private partner by selling TCIL's stake in TTL
(e) Date(s) of approval by the Board, if any:	235th Meeting of the Board of Directors of TCIL held in Lalit Hotel, Srinagar on 14.05.2018
(f) Amount paid as advances, if any:	As per records

A. Seshagiri Rao CMD - TCIL DIN: 06364174



#### ANNEXURE 'F(5)'

#### Form No. AOC- 2

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis	N.A.
(a) Name(s) of the related party and nature of relationship	N.A.
(b) Nature of contracts/arrangements/ transactions	N.A.
(c) Duration of the contracts/ arrangements/ transactions	N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e) Justification for entering into such contracts or arrangements or transaction	N.A.
(f) Date(s) of approval by the Board	N.A.
(g) Amount paid as advances, if any:	N.A.
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	N.A.
2. Details of material contracts or arrangement or transactios at arm's length basis	
(a) Name(s) of the related party and nature of relationship	TCIL Bina Toll Road Limited (TBTRL) & TCIL Lakhnadone Toll Road Limited (TLTRL) - Subsidiaries
(b) Nature of contracts/ arrangements/ transaction	Agreement between TCIL & TBTRL for Financial Assistance By TCIL
(c) Duration of the contracts/ arrangements/ transactions	Bank has the 1st charge. 2 <sup>nd</sup> charge will come into force when 1st charge in favour of Bank is fully satisfied and the same will continue till all the dues are realised.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	The Board approved the 2nd charge on all assets belonging to TBTRL & TLTRL regarding sub-ordinated loan by TCIL to TBTRL & TLTRL and modified agreements with TCIL were also approved
(e) Date(s) of approval by Board, if any:	237 <sup>th</sup> Meeting of the Board of Directors of TCIL held in New Delhi on 09.08.2018
(f) Amount paid as advances, if any:	N.A.

A. Seshagiri Rao CMD - TCIL DIN: 06364174



#### ANNEXURE 'F(6)'

#### Form No. AOC- 2

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis	N.A.
(a) Name(s) of the related party and nature of relationship	N.A.
(b) Nature of contracts/arrangements/transactions	N.A.
(c) Duration of the contracts/ arrangements/ transactions	N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e) Justification for entering into such contracts or arrangements or transactions	N.A.
(f) Date(s) of approval by the Board	N.A.
(g) Amount paid as advances, if any:	N.A.
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	N.A.
2. Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	Tamil Nadu Telecommunication Limited (TTL) - Subsidiary
(b) Nature of contracts/ arrangements/ transactions	Transfer of fund to TTL and review of Status of TTL operations towards revival
(c) Duration of the contracts/ arrangements /transactions	For a period of 3 months
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	<ol> <li>Board approved transfer of fund of Rs.12 lakhs for AGM expenditure.</li> <li>To support TTL for payment of salaries to the staff for a period of 3 months in emergent situations.</li> </ol>
(e) Date(s) of approval by Board, if any:	238 <sup>th</sup> Meeting of the Board of Directors of TCIL held in Kerela on 31.10.2018
(f) Amount paid as advances, if any:	As per the details given above.

A. Seshagiri Rao CMD - TCIL DIN: 06364174

72 www.tcil-india.com



### ANNEXURE 'F(7)'

### Form No. AOC- 2

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis	N.A.
(a) Name(s) of the related party and nature of relationship	N.A.
(b) Nature of contracts/arrangements/ transactions	N.A.
(c) Duration of the contracts/ arrangements/ transactions	N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e) Justification for entering into such contracts or arrangements or transaction	N.A.
(f) Date(s) of approval by the Board	N.A.
(g) Amount paid as advances, if any:	N.A.
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	N.A.
Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	Inteligent Communications System India Limited (ICSIL) - Joint Venture
(b) Nature of contracts/ arrangements/ transaction	According approval to Intelligent Communications Systems Ltd. (ICSIL) for adoption of New Set of Article of Association under the Companies Act, 2013
(c) Duration of the contracts/ arrangements/ transactions	Till future
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	The Board approved the new set of articles of association to align it with the provisions of the Companies Act, 2013, keeping the rights and obligations of stakeholders unaltered and not including the existing clauses 52,53,55,83, 96 & 104 subject to complaince of legal formalities
(e) Date(s) of approval by Board, if any:	238 <sup>th</sup> Meeting of the Board of Directors of TCIL held in Kerela on 31.10.2018
(f) Amount paid as advances, if any:	N.A.

A. Seshagiri Rao CMD - TCIL DIN: 06364174





### ANNEXURE 'F(8)'

### Form No. AOC-2

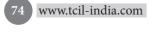
(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis	N.A.
(a) Name(s) of the related party and nature of relationship	N.A.
(b) Nature of contracts/arrangements/transactions	N.A.
(c) Duration of the contracts/ arrangements/ transactions	N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e) Justification for entering into such contracts or arrangements or transactions	N.A.
(f) Date(s) of approval by the Board	N.A.
(g) Amount paid as advances, if any:	N.A.
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	N.A.
2. Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	Bharti Hexacom Limited (BHL)-Joint Venture
(b) Nature of contracts/ arrangements/ transactions	Sale of towers
(c) Duration of the contracts/ arrangements /transactions	Proposals sent by BHL (1) Proposal for sale of towers passive infrastructure Telecom Towers (2) Proposal for demerger of 'Home and officers Business' into a separate subsidiary company to be formed by Bharti Airtel Ltd.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	(1) The transaction of sale of towers through tramsparent tender process subject to the minimum amount of Rs. 1200 cr (2) Sale of Home Business not to be considered at this stage
(e) Date(s) of approval by Board, if any:	238 <sup>th</sup> Meeting of the Board of Directors of TCIL held in Kerala on 31.10.2018
(f) Amount paid as advances, if any:	N.A.

A. Seshagiri Rao CMD - TCIL DIN: 06364174







### ANNEXURE 'F(9)'

### Form No. AOC- 2

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions	
not at arm's length basis	
(a) Name(s) of the related party and nature of relationship	N.A.
(b) Nature of contracts/arrangements/transactions	N.A.
(c) Duration of the contracts/arrangements/transactions	N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e) Justification for entering into such contracts or arrangements or transactions	N.A.
(f) Date(s) of approval by the Board	N.A.
(g) Amount paid as advances, if any:	N.A.
(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	N.A.
2. Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	TCIL Lakhnadone Toll Road Limited (TLTRL) - Subsidiary
(b) Nature of contracts/arrangements/transaction	Sale of 100% stake in Special Purpose Vehicle (SPV) Company, TCIL Lakhnadone Toll Road Ltd. (TLTRL).
(c) Duration of the contracts/arrangements/transactions	As per Concession Agreement
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Pursuant to recommendation of consultant and non-receipt of any suitable response to the tenders floated by TCIL for outsourcing the operations & maintenance of the toll road of TLTRL, in principle approval for sale of 100% TCIL's stake in TLTRL by the Board for obtaining approval of the Government.
(e) Date(s) of approval by the Board, if any:	In the 239 <sup>th</sup> Meeting of the Board of Directors of TCIL held in TCIL Bhawan, New Delhi on 28.01.2019.
(f) Amount paid as advances, if any:	N.A.

A. Seshagiri Rao CMD - TCIL DIN: 06364174

www.tcil-india.com



11/29/2019 8:32:41 PM



### ANNEXURE 'F(10)'

### Form No. AOC-2

(Pursuant to clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis	
(a) Name(s) of the related party and nature of relationship	N.A.
(b) Nature of contracts/arrangements/transactions	N.A.
(c) Duration of the contracts/arrangements/transactions	N.A.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	N.A.
(e) Justification for entering into such contracts or arrangements or transactions	N.A.
(f) Date(s) of approval by the Board	N.A.
(g) Amount paid as advances, if any:	N.A.
(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	N.A.
2. Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	TCIL Bina Toll Road Limited (TBTRL) - Subsidiary
(b) Nature of contracts/arrangements/transaction	Sale of 100% stake in Special Purpose Vehicle (SPV) Company, TCIL Bina Toll Road Ltd. (TBTRL).
(c) Duration of the contracts/arrangements/transactions	As per Concession Agreement
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Pursuant to recommendation of consultant and non-receipt of any suitable response to the tenders floated by TCIL for outsourcing the operations & maintenance of the toll road of TBTRL, in principle approval for sale of 100% TCIL's stake in TBTRL by the Board for obtaining approval of the Government.
(e) Date(s) of approval by the Board, if any:	In the 239th Meeting of the Board of Directors of TCIL held in TCIL Bhawan, New Delhi on 28.01.2019.
(f) Amount paid as advances, if any:	N.A.

A. Seshagiri Rao CMD - TCIL DIN: 06364174







### ANNEXURE 'G'

### Form No. MGT-9

# EXTRACT OF ANNUAL RETURN as on the financial year ended on 31 March, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### (I) REGISTRATION AND OTHER DETAILS:

(i)	CIN	U74999DL1978GOI008911
(ii)	Registration Date	10/03/1978
(iii)	Name of the Company	TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED
(iv)	Category / Sub-Category of the Company	UNION GOVERNMENT COMPANY
(v)	Address of the Registered office and contact details	TCIL BHAWAN, GREATER KAILASH-I, NEW DELHI-110048
(vi)	Whether listed company Yes/No	NO
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/S INDUS PORTFOLIO PRIVATE LIMITED, G-65, BALI NAGAR, NEW DELHI-110015

### (II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing  $10\ \%$  or more of the total turnover of the company shall be stated:

S.No.	Name and Description of main products / services	NIC Code of the Product/ services	% to total turnover of the company	
1.	Telecommunication Projects	61900	40.47%	
2.	Civil / Infrastructure Projects	410 & 421	17.78%	
3.	Consultancy & Service Contracts	62020	28.99%	
4.	Trading Activities	461	11.63%	







### (III) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of Shares held	Applicable Section
1.	TCIL Oman LLC P.O. BOX 3340, RUWI, Postal Code 112, Muscat, Oman	C.R.No. 1/05406/2	SUBSIDIARY	70%	2(87)
2.	Tamil Nadu Telecommunication Limited (TTL) No.16, First Floor, Aziz Mulk, 3 <sup>rd</sup> street, Thousand Lights, Chennai - 600006 (Tamil Nadu) India.	L32201TN1988PLC015705	SUBSIDIARY	49%	2(87)
3.	TCIL Bina Toll Road Limited (TBTRL) R.No.301, 3 <sup>rd</sup> Floor, TCIL Bhawan, Greater Kailash-I, New Delhi-110048 India	U45204DL2012GOI238685	SUBSIDIARY	100%	2(87)
4.	TCIL Lakhnadone Toll Road Limited (TLTRL) R.No.302, 3 <sup>rd</sup> Floor, TCIL Bhawan, Greater Kailash-I, New Delhi-110048 India	U45400DL2013GOI256742	SUBSIDIARY	100%	2(87)
5.	United Telecom Limited (UTL) Triveni Complex, Putali Sadak, Kathmandu, Nepal.	NEPAL COMPANY	ASSOCIATE	26.66%	2(6)
6.	Bharti Hexacom Limited (BHL) Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi 110070 India	U74899DL1995PLC067527	ASSOCIATE	30%	2(6)
7.	Intelligent Communication Systems India Limited(ICSIL) Administrative Building, Okhla Industrial Estate, Phase III, New Delhi 110020 India	U74899DL1987GOI027481	ASSOCIATE	36%	2(6)
8.	TBL International Ltd (TBL) B-7, (2 <sup>nd</sup> Floor) Rajouri Garden, New Delhi – 110027 India	U36999DL1989PLC036647	ASSOCIATE	44.94%	2(6)
9.	TCIL USA Inc. 1 N Tacoma AVE STE, 300, Tacoma, W.A. 98403 – 3131, United States	UBI Number - 604363898	SUBSIDIARY	100%	2(87)







### (IV) SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

#### **Category-wise Share Holding:** i)

Category of Shareholders	No. of shares held at the beginning of the year			No. of shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters (1)Indian									
(a) Individual/HUF	0	0	0	0	0	0	0	0	0
(b) Central Govt	5,91,71,200	28,800*	5,92,00,000	100%	591,71,200	28,800*	5,92,00,000	100%	0
(c) State Govt (s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corp.	0	0	0	0	0	0	0	0	0
(e) Bank/FI	0	0	0	0	0	0	0	0	0
(f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1):-	5,91,71,200	28,800	5,92,00,000	100%	591,71,200	28,800	5,92,00,000	100%	0
(2) Foreign	0,51,71,200	20,000	2,22,00,000	10070	551,71,200	20,000	5,52,00,000	10070	0
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2):-	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	5,91,71,200	28,800	5,92,00,000	100%	591,71,200	28,800	5,92,00,000	100%	0
B. Public Shareholding 1. Institutions									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Banks/FI	0	0	0	0	0	0	0	0	0
(c) Central Govt	0	0	0	0	0	0	0	0	0
(d) State Govt (s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0	0	0
(g) FIIs	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
(a) Bodies Corp. (i) Indian	0	0	0	0	0	0	0	0	0
(ii) Overseas	0	0	0	0	0	0	0	0	0
(b) Individuals (i) Individual shareholders holding nominal share capital upto Rs.1 lakh	0	0	0	0	0	0	0	0	0
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	0	0	0	0	0	0	0	0	0
(c) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
(C). Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	591,71,200	28,800	5,92,00,000	100%	5,91,71,200	28,800	5,92,00,000	100%	0

<sup>\*</sup>Individual Government nominee shareholders









### (ii) Shareholding of Promoters

		Shareholdin	g at the beginn	ing of the year	Shareholdi	% change		
S.No.	Shareholder's Name	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	in share holding during the year
1	President of India through Chairman, Telecom Commission	5,91,71,200	99.951%	0	5,91,71,200	99.951%	0	0
2	Shri Anil Kumar Gautam Govt. Nominee	3600	0.006%	0	3600	0.006%	0	0
3	Ms. Sangeeta Chugh Govt. Nominee	3600	0.006%	0	3600	0.006%	0	0
4	Shri.Mumtaj Ahmad Govt. Nominee	3600	0.006%	0	3600	0.006%	0	0
5	Shri R.M. Agarwal Govt. Nominee	3600	0.006%	0	0	0	0	-0.006%
6	Shri Rajesh Sharma Govt. Nominee	0	0	0	3600	0.006%	0	+0.006%
7	Shri R.K.Kaushik Govt. Nominee	3600	0.006%	0	3600	0.006%	0	0
8	Shri Shashi Ranjan Kumar Govt. Nominee	3600	0.006%	0	0	0	0	-0.006%
9	Shri Amit Yadav Govt. Nominee	0	0	0	3600	0.006%	0	+0.006%
10	Shri Shiv Narain Govt. Nominee	3600	0.006%	0	0	0	0	-0.006%
11	Shri Devendra Yadav Govt. Nominee	0	0	0	3600	0.006%	0	+0.006%
12	Shri Suneel Niraniyan Govt. Nominee	3600	0.006%	0	3600	0.006%	0	0
	TOTAL	5,92,00,000	100%	0	5,92,00,000	100%	0	0







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

		Shareholdi beginning o		Cumulative Shareholding during the year		
Sl. No.	President of India through Chair- man, Telecom Commission	No. of shares of the company		No. of shares	% of total shares of the company	
	At the beginning of the year	5,91,71,200	99.951 %	5,91,71,200	99.951 %	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / trans- fer / bonus/ sweat equity etc):	No change				
	At the End of the year	5,91,71,200	99.951 %	5,91,71,200	99.951 %	

Sl. No.	CI No.		ng at the of the year	Cumulative Shareholding during the year	
31. 100.	Shri Anil Kumar Gautam Govt. Nominee	No. of shares	% of total shares of Company	No. of shares	% of total shares of the Company
	At the beginning of the year	3,600 0.006 %		3,600	0.006 %
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change			
	At the End of the year	3,600	3,600	0.006 %	

Sl. No.		Shareholdi beginning o		Cumulative Shareholding during the year	
31. 110.	Ms. Sangeeta Chugh Govt. Nominee	No. of shares	% of total shares of Company	No. of shares	% of total shares of the Company
	At the beginning of the year	3,600	0.006 %	3,600	0.006 %
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change			
	At the End of the year	3,600	0.006 %	3,600	0.006 %

Sl. No.		Shareholdi beginning o			Cumulative Shareholding during the year	
31. 140.	Shri Mumtaj Ahmad Govt. Nominee	No. of shares	% of total shares of Company	No. of shares	% of total shares of the Company	
	At the beginning of the year	3,600	0.006 %	3,600	0.006 %	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change				
	At the End of the year	3,600	0.006 %	3,600	0.006 %	







		Shareholdi beginning o		Cumulative Shareholding during the year		
Sl. No.	Shri R.M.Agarwal Govt. Nominee	No. of shares	% of total shares of Compa- ny	No. of shares	% of total shares of the Company	
	At the beginning of the year	3,600	0.006 %	3,600	0.006 %	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Decrease w.e.f. 09.08.2018 due to transfer of shares to Shri Rajesh Sharma, Government Nominee				
	At the End of the year	0	0	0	0	

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year		
31. No.	Shri Rajesh Sharma Govt. Nominee	No. of shares	% of total shares of Compa- ny	No. of shares	% of total shares of the Company	
	At the beginning of the year	0	0	0	0	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allot- ment / transfer / bonus/ sweat equity etc):	Increase w.e.f. 09.08.2018 due to transfer of shares from Shri R. M. Agarwal, Government Nominee				
	At the End of the year	3,600	0.006 %	3,600	0.006 %	

			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl. No.	Shri R.K.Kaushik Govt. Nominee	No. of shares of Company		No. of shares	% of total shares of the Company	
	At the beginning of the year	3,600	0.006 %	3,600	0.006 %	
	Date wise Increase / Decrease in Promoters Share holding during the year speci- fying the reasons for increase/ decrease (e.g. allotment / transfer / bo- nus/ sweat equity etc):	No Change				
	At the End of the year	3,600	0.006 %	3,600	0.006 %	



		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl. No.	Shri Shashi Ranjan Kumar Govt. Nominee	No. of shares	% of total shares of Company	No. of shares	% of total shares of the Company
	At the beginning of the year	3,600	0.006 %	3,600	0.006 %
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Decrease w.e.f. 09.08.2018 due to transfer of shares to Shri Amit Yadav, Government Nominee			
	At the End of the year	0	0	0	0

			ling at the of the year	Cumulative Shareholding during the year		
Sl. No.	Shri Amit Yadav Govt. Nominee	No. of shares of Company		No. of shares	% of total shares of the Company	
	At the beginning of the year	0	0	0	0	
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Increase w.e.f. 09.08.2018 due to transfer of shares from Shri Shashi Ranjan Kumar, Government Nominee				
	At the End of the year	3,600	0.006 %	3,600	0.006 %	

			ling at the of the year	Cumulative Shareholding during the year	
Sl. No.	Shri Shiv Narain Govt. Nominee	chares of		No. of shares	% of total shares of the Company
	At the beginning of the year	3,600	0.006 %	3,600	0.006 %
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Decrease w.e.f. 09.08.2018 due to transfer of shares to Shri Devendra Yadav, Government Nominee			
	At the End of the year	0	0	0	0

•







Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year		
S1. INO.	Shri Devendra Yadav Govt. Nominee	No. of shares	% of total shares of Company	No. of shares	% of total shares of the Company	
	At the beginning of the year	0	0	0	0	
	Date wise Increase / Decrease in Promoters Share holding during the year speci- fying the reasons for increase/ decrease (e.g. allotment / trans- fer / bonus/ sweat equity etc):	Increase w.e.f. 09.08.2018 due to transfer of shares from Shri Shiv Narain, Government Nominee				
	At the End of the year	3,600	0.006 %	3,600	0.006 %	

Sl. No.			ling at the of the year	Cumulative Shareholding during the year		
51. No.	Shri Suneel Niraniyan Govt. Nominee	No. of shares	% of total shares of Company	No. of shares	% of total shares of the Company	
	At the beginning of the year	3,600	0.006 %	3,600	0.006 %	
	Date wise Increase / Decrease in Promoters Share holding during the year specify- ing the reasons for increase/ de- crease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change				
	At the End of the year	3,600 0.006 % 3,600 0.006 %				

### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Sharehold beginning		Cumulative Shareholding during the year			
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company		
	At the beginning of the year	0	0	0	0		
	Date wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL					
	At the end of the year (or on the date of separation, if separated during the year)	0	0	0	0		



### (v) Shareholding of Directors and Key Managerial Personnel:

S.No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year		
	For each of the Directors and KMP	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
	At the beginning of the year	0	0	0	0	
	Date wise Increase / Decrease in share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):			NIL		
	At the End of the year	0	0	0	0	

### V) INDEBTEDNESS

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

(Figures in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Depos- its	Total Indebted- ness
Indebtedness at the beginning of the financial year				
i) Principal Amount	20,06,29,457	71,83,40,595	0	91,89,70,052
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	9,52,643	0	9,52,643
Total (i+ii+iii)	20,06,29,457	71,92,93,238	0	91,99,22,695
Change in Indebtedness during the financial year				
* Addition	61,67,23,535	45,59,43,014	0	1,07,26,66,549
* Reduction	0	31,66,66,667	0	31,66,66,667
Net Change	61,67,23,535	13,92,76,347	0	75,59,99,882
Indebtedness at the end of the financial year				
i) Principal Amount	81,73,52,992	85,63,10,682	0	1,67,36,63,674
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	22,58,903	0	22,58,903
Total (i+ii+iii)	81,73,52,992	85,85,69,585	0	1,67,59,22,577

**(** 









### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(figures in Rs.)

Particulars of Name of MD/WTD/ Manager				Total Amount	
	CMD	DIRECTOR (PROJECTS)	DIRECTOR (FINANCE)	DIRECTOR (TECHNICAL)	
	Shri Annangi Seshagiri Rao DIN 06364174	Shri Rajiv Gupta DIN: 06993918	Shri Narendra Jain DIN: 06942419	Shri Kamendra Kumar DIN: 07578257	
Gross salary  (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	37,40,312	39,73,132	58,77,619	34,93,696	1,70,84,759
(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income- Tax Act,	7,37,358	7,64,310	2,39,872	1,62,676	19,04,216
1961	0	0	0	0	0
Stock Option	-	-	-	-	-
Sweat Equity	-	-	-	-	-
Commission - as % of profit - others, specify					
Others, please specify					
-Provident Fund	3,61,402	3,33,268	2,74,535	2,69,663	12,38,868
<sup>-</sup> Medical	36,894	24,743	10,980	16,573	89,190
Total (A)	48,75,966	50,95,453	64,03,006	39,42,608	2,03,17,033
Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.	N.A.
	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income- Tax Act, 1961  Stock Option  Sweat Equity  Commission - as % of profit - others, specify  Others, please specify -Provident Fund  'Medical  Total (A)	Remuneration  CMD  Shri Annangi Seshagiri Rao DIN 06364174  Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income- Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income- Tax Act, 1961  Stock Option  Sweat Equity  Commission - as % of profit - others, specify  Others, please specify -Provident Fund 3,61,402 -Medical 36,894  Total (A)  48,75,966	CMD   DIRECTOR (PROJECTS)	CMD	CMD







### B. Remuneration to other directors:

(figures in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
		Prof. REKHA JAIN	
	1. Independent Directors		
	- Fee for attending board committee meetings	1,20,000	1,20,000
	- Commission	0	0
	-Others, please specify	0	0
	Total (1)	1,20,000	1,20,000
	2. Other Non- executive Directors		
	- Fee for attending board committee meetings	0	0
	- Commission	0	0
	- others, please specify	0	0
	Total(2)	0	0
	Total(B)= (1+2)	1,20,000	1,20,000
	Total Managerial Remuneration (A) + (B)		2,04,37,033
	Overall ceiling as per the Act		N.A.

### C. Remuneration to key managerial personnel other than md/manager/wtd

(figures in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
		Sh. A. Seshagiri Rao, CMD DIN: 06364174	Sh. Narendra Jain, DIRECTOR (FINANCE) DIN: 06942419	Sh. A.V.V.KRISHNAN ED (F & CS) ACS 5282	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	37,40,312	58,77,619	42,70,496	1,38,88,427
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7,37,358	2,39,872	1,63,420	11,40,650
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - others, specify	0	0	0	0
5.	Others, please specify				
	-Provident Fund	3,61,402	2,74,535	3,04,749	9,40,686
	-Medical	36,894	10,980	39,399	87,273
	Total	48,75,966	64,03,006	47,78,064	1,60,57,036









Telecommunications Consultants India Limited Annual Report 2018-19

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Туре	Section of the Companies Act, 2013	Brief Description	Details of Penal- ty / Punishment / Compounding Fees Imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A.COMPANY					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
B. DIRECTORS					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
C.OTHER OFFICERS IN DEFAULT					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0







### ANNEXURE 'H'

**AGARWAL S. & ASSOCIATES**Company Secretaries

D-427, 2<sup>nd</sup> Floor, Palam Extn., Ramphal Chowk, Sector 7, Dwarka, New Delhi-110075 Email Id: sachinag1981@gmail.com Phone: 011–45052182; Mobile: 9811549887

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

{Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,

The Members,

Telecommunications Consultants India Limited.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Telecommunications Consultants India Limited** (hereinafter called TCIL/the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the TCIL's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial period ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; Not Applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; Not Applicable
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **Not Applicable** 
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Compliances/ processes/ systems under other applicable Laws to the Company are being verified on the basis of periodic certificate submitted to the Board of Directors of the Company.

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







- (i) Secretarial Standards, as amended from time to time, issued by the Institute of Company Secretaries of India. Generally complied with.
- (ii) The Listing Agreement and the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 with National Stock Exchange of India Limited & BSE Limited -Not Applicable
- (iii) DPE Guidelines on Corporate Governance for CPSE (DPE Guidelines).

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

Compliance of Section 149 of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Clause 3.1.2 & 3.1.4 of the DPE Guidelines on Corporate Governance w.r.t. the non-appointment of requisite number of Independent Directors on the Board of Company and Consequential non-compliances arising due to Non-appointment of Independent Directors on the Board of the Company:

- Compliance of the provisions of Chapter 3 of DPE Guidelines on Corporate Governance w.r.t. the number of Functional Directors (including CMD/MD) should not exceed 50% of the actual strength of the Board.
- Compliance of the provisions of Section 177(2) of the Companies Act, 2013 and Chapter 4 of DPE Guidelines on Corporate Governance w.r.t. the Constitution and Composition of the Audit Committee.
- Compliance of the provisions of Section 178 (1) of the Companies Act, 2013 w.r.t. the Constitution and Composition of the Nomination and Remuneration Committee.
- Compliance of the provisions of Section 149 (8) read with Schedule IV (VII) of Companies Act, 2013 w.r.t. separate meeting of the Independent directors.

We further report that the Board of Directors of the Company is required to be constituted as per provisions of the Companies Act, 2013 and DPE Guidelines. At present, there is only one Independent Director on the Board of the Company and Functional Directors exceeding 50% of the actual strength of the Board.

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

All the decisions made in the Board/Committee meeting(s) were carried out with unanimous consent of the Directors/ Members present during the meeting and dissent, if any, have been duly incorporated in the Minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws.

For **Agarwal S. & Associates**, Company Secretaries,

ICSI Unique Code: P2003DE049100

CS Anuradha Jain

Partner

ACS No.: 36639 C.P No.: 14180

Place: New Delhi Date: 23.08.2019

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







### AGARWAL S. & ASSOCIATES

Company Secretaries

D-427, 2<sup>nd</sup> Floor, Palam Extn., Ramphal Chowk, Sector 7, Dwarka, New Delhi-110075 Email Id: sachinag1981@gmail.com Phone: 011–45052182; Mobile: 9811549887

Annexure "A"

To,
The Members,
Telecommunications Consultants India Limited

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

- 1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
- 2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/ comments/ weaknesses already pointed out by the other Auditors.
- 4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
- 5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.
- 6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Agarwal S. & Associates,

Company Secretaries, ICSI Unique Code: P2003DE049100

www.tcil-india.com

CS Anuradha Jain

Partner

11/29/2019 8:32:42 PM

ACS No.: 36639 C.P No.: 14180

Place: New Delhi Date: 23.08.2019

FINAL FILE\_statement of account.indd 91





### **ANNEXURE 'I'**

# Management reply to the Observations made by the Secretarial Auditor in his Secretarial Audit Report for the Financial Year 2018-19

The following is the reply of the management to the Observations made by the Secretarial Auditor in his Secretarial Audit Report for the Financial Year 2018-19:

**Observation:** Compliance of Section 149 of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Clause 3.1.2 & 3.1.4 of the DPE Guidelines on Corporate Governance w.r.t. the non-appointment of requisite number of Independent Directors on the Board of Company and Consequential non-compliances arising due to Non-appointment of Independent Directors on the Board of the Company:

1. Compliance of the provisions of Chapter 3 of DPE Guidelines on Corporate Governance w.r.t. the number of Functional Directors (including CMD/MD) should not exceed 50% of the actual strength of the Board.

Reply to above observation: It is to mention that the variation in the ratio from Para 3.1.2 of DPE Guidelines is only because of non-appointment of Independent Directors on the Board of TCIL. In this regard, it is to further highlight that Department of Telecommunications appoints Independent Directors on the Board of TCIL. Considering this, TCIL is continuously reminding Department of Telecommunications for appointment of Independent Directors so as to comply with the provisions of DPE guidelines and the relevant provisions of the Companies Act, 2013 read with the relevant rules made thereunder and have already sent several reminder letters to Department of Telecommunications for appointing Independent Director on the Board of TCIL.

Hence, the variation in the ratio from Para 3.1.2 of DPE Guidelines is only because of non-appointment of Independent Directors by Department of Telecommunications on the Board of TCIL for which TCIL is continuously reminding Department of Telecommunications.

2. Compliance of the provisions of Section 177(2) of the Companies Act, 2013 and Chapter 4 of DPE Guidelines on Corporate Governance w.r.t. the Constitution and Composition of the Audit Committee.

**Reply to above observation:** Noted. The committee would be reconstituted as and when Department of Telecommunications appoints/nominates Independent Director on the Board of TCIL for which TCIL is continuously pursuing Department of Telecommunications.

3. Compliance of the provisions of Section 178 (1) of the Companies Act, 2013 w.r.t. the Constitution and Composition of the Nomination and Remuneration Committee.

**Reply to above observation:** Noted. The committee would be reconstituted as and when Department of Telecommunications appoints/nominates Independent Director on the Board of TCIL for which TCIL is continuously pursuing Department of Telecommunications.

4. Compliance of the provisions of Section 149 (8) read with Schedule IV (VII) and (VIII) of Companies Act, 2013 w.r.t. separate meeting of the Independent directors and performance evaluation of the directors.

**Reply to above observation:** As mentioned hereinabove, TCIL is continuously pursuing Department of Telecommunications for appointment of Independent Director on the Board of TCIL. Thus, the provisions of Section 149(8) read with Schedule IV (VII) and (VIII) of Companies Act, 2013 w.r.t. separate meeting of the Independent directors shall be complied with once the Department of Telecommunications appoints / nominates another Independent Director on the Board of TCIL.









### **ANNEXURE 'J'**

### Addendum to the Board's Report for the Financial Year 2018 - 19

### Comments of C & AG

With reference to the Annual Report 2018 – 19 sent to the members of the Company, the comment of C & AG under section 143 (6) (b) of the Companies Act-2013 on the accounts of the company both standalone and consolidated for the year 2018–19 was received on 04.11.2019 & 05.11.2019 respectively. The above comments of C & AG and the management reply thereto is annexed as Annexure J, which forms part of the Board's Report for the FY 2018-19.

For and on behalf of the Board of Directors

(RAJIV GUPTA)

CHAIRMAN & MANAGING DIRECTOR

DIN: 06993918

Date: 13.11.2019 Place: New Delhi







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

Comments of Comptroller and Auditor General of India	Management's reply
Comments on Financial Position	
Balance Sheet	
Non-Current Financial Assets-loans-Rs 11614.37 lakh	
Non-Current Financial Assets-loans-Rs 11614.37 lakh  The above head is understated by Rs. 1844.12 lakh due to non-recognition of interest income on the unsecured loan given to TCIL-Bina Toll Road Limited and TCIL-Lakhnadone Toll Road Limited (subsidiary companies of TCIL) by TCIL. The Company should have booked the interest income on unsecured loan given to these two companies. The provision for the same amount should also have been made.  This has also resulted in understatement of income by Rs. 938 lakh in 2018-19 & Rs 905.96 lakh in 2017-18 and understatement of provision by Rs. 1844.12 lakh.	The Company has given subordinated unsecured loan to TCIL Bina Toll Road Ltd. (TBTRL) and TCIL Lakhnadone Toll Road Ltd (TLTRL), whollly owned subsidiaries. As these subsidiaries are operating projects with long gestation period and are not generating sufficient cash surplus to pay interest owed by them to company so it was decided pursuant to Board decision dated 9/5/17 not to recognize interest w.e.f 1st April 2017 till the time the recovery becomes certain.  Moreover in the year under report, in one of its subsidiary i.e. TBTRL, the Company has made the provision towards impairment of Loan to the extent of Rs. 1276.61 lakhs.  In similar case of another subsidiary of Company, Tamil Nadu Telecommunication Ltd., which is a sick company referred to erstwhile BIFR and is under rehabilitation, the company is not recognizing interest since Ist April 15 as there is no certainty of realization of interest on amount owed by them to the company (Refer note 52 (a) of accounts)  In one similar case relevant extract from the opinion given by the expert advisory committee of ICAI is given below:  "To assess the certainty or uncertainty of ultimate collection is a matter of judgment, which should be exercised considering
	various factors, such as, on the basis of past experience, etc. Accordingly, to the extent and till the time such uncertainty of collection exists, revenue recognition should be postponed. The revenue needs to be recognized when it is reasonably certain that the ultimate collection will be made. The Committee is further of the view that in such cases where the revenue recognition is postponed, disclosures should be made.  In view of aforesaid situation and circumstances, and considering accounting concept of prudence, conservatism etc., it was
	decided to postpone the booking of interest on financial support extended by company since the year 2015-16 and the same has been consistently being followed and disclosed appropriately in the notes to accounts over the years.  As such there is no understatement of Income. Moreover the
	company has disclosed the above facts in Note no. 52 (b) and (c) to the Financial statements.
	As the company has not accounted for the Interest Income, there is no requirement of making Provision against the same.



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

Comments of Comptroller and auditor General of India	Management's reply
Significant Accounting Policies	
General	
The Company has given subordinated unsecured loan amounting Rs. 7881.09 to TBTRL and Rs. 3706.83 lakh to TLTRL its wholly owned subsidiaries. The interest payable on these loans has been provided by these two subsidiaries in their accounts. The interest on the unsecured loan was not recognized during the 2017-18 and 2018-19 by TCIL. This fact needs disclosure.	The said subsidiaries have not accounted for interest in their books of account as stated in the comment. While preparing the Consolidated accounts, the intra group transaction are eliminated as such disclosure of the same is not required in the Consolidated Financial statements. However the same has been disclosed in Note no. 52 (a), (b) and (c) to the Standalone Financial statements.





FINAL FILE\_statement of account.indd 95 11/29/2019 8:32:43 PM



### **CERTIFICATE ON CORPORATE GOVERNANCE**

To, The Members, Telecommunications Consultants India Limited, TCIL Bhawan, Greater Kailash-I, New Delhi-110 048

We have examined all relevant records of Telecommunications Consultants India Limited (the company) for the purpose of certifying compliance of the conditions of the Corporate Governance as stipulated under the Guidelines on Corporate Governance For The Central Public Sector Enterprises (CPSEs), 2010 issued by the Govt. of India, Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, for the Financial Year ended 31st March, 2019. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

Our examination was limited to the procedure and implementation thereof. This certificate is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness, with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the company has complied with all the mandatory conditions in conformity with the requirements of the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), 2010 except appointment of requisite number of Independent Directors on the Board of the Company which we understand is done by Government of India (GOI). The Company is continuously pursuing the same with (GOI) to comply with Companies Act, 2013 and DPE Guidelines.

Place: Delhi Date: 23.08.2019.

**SANJAY CHUGH** COMPANY SECRETARY C.P. NO. 3073



# CERTIFICATION / DECLARATION OF FINANCIAL STATEMENTS BY THE CHIEF EXECUTIVE / CHIEF FINANCE OFFICER OF THE COMPANY

We, A. Seshagiri Rao, Chairman and Managing Director and Narendra Jain, Director (Finance) of Telecommunications Consultants India Limited certify that in respect of the Financial Year ended on 31st March, 2019:

- (1) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (3) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the same.
- (4) We have indicated, wherever applicable, to the auditors and the Audit Committee:
  - a. significant changes, if any, in internal control over financial reporting during the year;
  - significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. instances of significant fraud, if any, wherein there has been involvement of management or an employee having a significant role in the Company's internal control system over financial reporting.

JA

(A. Seshagiri Rao) Chairman and Managing Director (Narendra Jain) Director (Finance)

Place: New Delhi Date: 26.08.2019

FINAL FILE\_statement of account.indd 97 11/29/2019 8:32:43 PM



# DECLARATION REGARDING COMPLIANCE WITH THE CODE OF BUSINESS CONDUCT AND ETHICS

I, the undersigned, hereby declare that the Company has received affirmation from all the Board Members and the Senior Management Personnel with regard to the compliance with the Code of Business Conduct and Ethics of the Company for Board Members and Senior Management Personnel in respect of the Financial Year ended on 31st March, 2019.

(A. Seshagiri Rao) Chairman and Managing Director

Place:- New Delhi Date: 27.04.2019







# STATEMENT OF ACCOUNTS







### HINGORANI M & CO

Chartered Accountant PAN: AAAFH3312E

GSTIN: 07AAAFH3312E1Z2

35 Netaji Subhash Marg, Darya Ganj, New Delhi, Delhi – 110002 Tel : 011-4106 8129 , 23268129

### **Independent Auditor's Report**

To the Members of Telecommunications Consultants India Limited

## Report on the Audit of the Standalone Financial Statements

### **Opinion**

1. We have audited the accompanying standalone financial statements of Telecommunications Consultants India Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair, view in conformity with the Indian Accounting Standards under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended,("Ind AS") and accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2019, and its profit (financial performance including other comprehensive income) and its cash flows and the changes in equity for the year ended on that date.

### Basis for opinion

2. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

# www.tcil-india.com

### Other Matter

3. We did not audit the financial statements of five branches included in the standalone financial statements of the company whose financial information reflect total assets of Rs. 48,839.93 lakhs as at 31st March, 2019 and total revenues of Rs. 56,250.44 lakhs for the year ended on that date, as considered in the standalone financial statements. The financial statements of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors

Our opinion is not modified in respect of these matters.

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

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report but does not include the standalone financial statements and auditor's report thereon. The Board Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Board Report, If we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

### Responsibility of Management & Those Charged with Governance for the Financial Statements.

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows



and changes in equity of the Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements.

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

### We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error,

- as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Legal and Regulatory Requirements

We are enclosing our report in Annexure - A on the directions issued by the Comptroller and Auditor General of India in terms of section 143(5) of the Act, on the basis of such checks of the books

www.tcil-india.com 101



11/29/2019 8-32-43 PM





- and records of the company as we considered appropriate and according to the information and explanations given to us.
- 8. As required by the Companies (Auditors Report) Order, 2016 (the Order) issued by the Government of India in terms of sub-section (11) of section 143 of the Act, we give in **Annexure-B**, a statement on the matters specified in the Paragraphs 3 and 4 of the said Order.
- 9. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
  - (c) the reports on the accounts of the branch offices of the company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report;
  - (d) the Balance sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (e) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (f) we are informed that in terms of Notification No. G.S.R.463(E) dated 5<sup>th</sup> June 2015 issued by the Ministry of Corporate Affairs, the provisions of section 164(2) of the Act, in

- respect of disqualification of directors, are not applicable to the company;
- (g) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure C. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of company's internal financial controls over financial reporting.
- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - refer Note no.37 to the financial statements;
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company;
- 10. With respect to the matter included in the Auditors' report under Section 197(16):

As per notification no. G.S.R. 463(E) datedJune 05, 2015, the government companies are exempt from the provisions of section 197 of the Act. Accordingly, we are not required to report whether remuneration paid by the company to its directors is in accordance with the provisions of this section.

For Hingorani M. & Co. Chartered Accountants Firm Regn.No.:06772N

(Pardeep Kumar)
Partner
M.No. 085630

UDIN:19085630AAAADH7810

Place: New Delhi. Dated: 26.08.2019



### Annexure-'A' to the Independent Auditor's Report

(Referred to in paragraph 7 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) Directions indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of Telecommunications Consultants India Limited (Standalone) for the year 2018-19 issued by the Comptroller and Auditor General of India under Section 143(5) of the Companies Act, 2013.

S. No.	Directions	Our Report
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has system in place to process all the accounting transactions through IT system and Company is currently using "ERP" Package for the same.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debs/loans/interest etc. made by a lender to the company due to company's inability to repay the loan? If yes, the financial impact may be stated.	According to information and explanations given to us, there is no restructuring of an existing loan or cases of waiver/write off of debs/loans/interest etc. made by a lender to the Company due to Company's inability to repay the loan.
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	According to information and explanations given to us, the Company has not received any fund from Central/State agencies for specific scheme. Hence this clause is not applicable.

For Hingorani M. & Co. **Chartered Accountants** Firm Regn.No.:06772N

(Pardeep Kumar) Partner M.No. 085630

Place: New Delhi. Dated: 26.08.2019





### Annexure-'B' to the Independent Auditor's Report

(Referred to in paragraph 8 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its fixed assets:
  - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
  - (b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified annually. In accordance with this program, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets;
  - (c) With respect to immovable properties of acquired land and buildings that are freehold, according to information and explanations given to us by the management and records examined by us and based on the examination of registered sales deed/transfer deed/conveyance deed/ court orders provided to us, we report that, the title deeds of such immovable properties are held in the name of the company as at the balance sheet date;
- (ii) In respect of its inventories, the physical verification has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification;
- (iii) The company has not granted any loans, secured or unsecured to the companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. In view of this, sub clauses (a), (b) and (c) of clause 3(iii) of the Order are not applicable;
- (iv) In respect of loans, investments, guarantees and securities all mandatory provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with;
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits. Therefore, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2015 with regards to the deposits accepted from the public are not applicable to the Company;
- (vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under subsection (1) of Section 148 of the Act in respect of one of its civil construction division and are of the opinion that prima facie, the prescribed records have been maintained. However, we have not made a detailed examination of such records;
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) According to the information and explanations given to us and on the basis of our examination of records of the company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Goods & Service Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other material statutory dues have generally been regularly deposited during the year by the company, with the appropriate authorities. There were no such dues which were in arrears as at 31st March, 2019, for a period of more than six months from the date they became payable;
  - (b) Detail of dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, which have not been deposited as on 31st March, 2019 on account of disputes are given below:

Name of the Statute	Nature of dues	Amount (In Rs. Lakhs)	Period to which the amount relates	Forum where dispute is pending
Local Sales Tax and Works Contract Act	Demand of Sales Tax	19.38	2002-03, 2003-04, 2005- 06 & 2006-07	Commercial Tax Department, Uttarakhand.
Local Sales Tax and Works Contract Act	Demand of Sales Tax	111.19	2014-15 & 2015-16	Commercial Tax Department, Jabalpur.
Service Tax Act.	Demand of Service Tax (Services provided to BSNL)	5,408.41	2016-17 & 2017-18	Hon'ble Delhi High Court



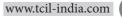


- (viii) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks, Government and debenture holders;
- (ix) Based on our audit procedures and according to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instrument);
- (x) Based on our audit procedures and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees, has been noticed or reported during the year;
- (xi) In view of the exemption given in terms of notification No. G.S.R. 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, the provisions of section 197 read with schedule V to the Companies Act, 2013 regarding managerial remuneration are not applicable to the company;
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Therefore the provisions of clause 3(xii) of the Order are not applicable to the company;
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the company, transactions with related parties are in compliance with sections 177 and 188 of Companies Act 2013, wherever applicable, and the details have been disclosed in the notes to the financial statements as required by the applicable Accounting Standards;
- (xiv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the company;
- (xv) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore the provisions of clause 3(xvi) of the Order are not applicable to the company.

For Hingorani M. & Co. Chartered Accountants Firm Regn.No.:06772N

(Pardeep Kumar) Partner M.No. 085630

Place: New Delhi. Dated: 26.08.2019





### Telecommunications Consultants India Limited Annual Report 2018-19

### Annexure-'C' to the Independent Auditor's Report

(Referred to in paragraph 9(g) under the heading "Report on other Legal and Regulatory Requirements' section of our report

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

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

### Management's Responsibility for Internal Financial Controls

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

### **Auditor's Responsibility**

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

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

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

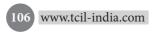
### Meaning of Internal Financial Controls over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.





Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

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

> For Hingorani M. & Co. **Chartered Accountants** Firm Regn.No.:06772N

> > (Pardeep Kumar) Partner

M.No. 085630

Place: New Delhi. Dated: 26.08.2019

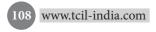
FINAL FILE statement of account indd 107 11/29/2019 8:32:43 PM



### Balance Sheet as at March 31, 2019

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS		Waten 31, 2017	March 31, 2010
(1) Non-Current Assets			
(a) Property, Plant & Equipment	3	3,495.91	4,330.88
(b) Other Intangible Assets	4	3,487.78	4,242.87
(c) Financial Assets	1	3,107.70	1,2 12.07
(i) Investments	5	19,532.91	19,485.13
(ii) Trade Receivables	6	2,653.88	2,149.45
(iii) Loans	7	11,614.37	12,121.28
(iv) Others	8	0.12	0.12
(d) Deferred Tax Assets(Net)		3,721.99	
(d) Deferred Tax Assets(Net)	20		2,742.50
		44,506.96	45,072.23
(2) Current Assets			
(a) Inventories	9	1,467.09	1,045.69
(b) Financial Assets			•
(i) Trade Receivables	10	150,688.52	108,218.99
(ii) Cash & Cash Equivalents	11	12,755.57	16,331.83
(iii) Other Bank Balances	12	323.51	338.18
(iv) Loans	13	3,868.37	3,345.98
(c) Current Tax Assets	14	1,995.21	2,363.14
(d) Other Current Assets	15	105,578.44	99,767.92
			,
		276,676.71	231,411.73
Total Assets		321,183.67	276,483.96
EQUITY AND LIABILITIES			
EQUITY AND LIABILITIES EQUITY			
(a) Equity Share Capital	2A	5,920.00	5,920.00
(b) Other Equity	2B	56,788.57	55,870.14
Total Equity	25	62,708.57	61,790.14
Total Equity		02,7 00.37	01,770.11
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	-	3,166.67
(ii) Trade Payables	17		
(iii) Other Financial liabilities	18	1,037.20	1,066.52
(b) Provisions	19	2,346.34	2,231.38
		3,383.54	6,464.57











# Balance Sheet as at 31 March 2019 (contd...)

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	13,569.97	2,856.37
(ii) Trade Payables	22		
a) Total outstanding dues of Micro Enterprises and Small Enterprises		1,527.33	1,701.39
b) Total outstanding dues of Creditor other than Micro Enterprises and Small Enterprises		149,214.34	122,875.40
(iii) Other Financial liabilities	23	53,221.85	39,795.04
(b) Other Current liabilities	24	20,262.66	25,870.56
(c) Provisions	25	17,295.41	15,130.49
		255,091.56	208,229.25
Total Equity & Liabilities		321,183.67	276,483.96
Significant Accounting Policies	1		

Notes from 1 to 62 form intergral part of Accounts

This is the Balance Sheet referred to in our report of even date

For and on behalf of the Board of Directors

For Hingorani M & Co. Chartered Accountants

(Firm Regn. No.: 006772N)

(Pardeep Kumar)

Partner

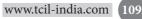
Membership No.: 085630

Date: 26.08.2019 Place: New Delhi Director (Finance) DIN 06942419

A.K. Jain Executive Director (F&A) A.Seshagiri Rao

Chairman & Managing Director DIN 06364174

> Rashmi Chawla Dy. Company Secretary





# Statement of Profit & Loss for the year ended 31 March 2019

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31, 2019	Year ended March 31, 2018
INCOME			
Revenue from Operations	26	161,622.19	123,262.52
Other Income	27	599.33	2,816.34
Total Revenue		162,221.52	126,078.86
OPERATING EXPENDITURE			
Cost of Materials Consumed	28	4,136.82	8,737.50
Purchases of Stock-in-Trade		17,363.80	18,696.17
Change in Inventories of Stock in Trade	29	-	-
Sub-Contracts Expenditure		89,376.13	57,147.13
Employee benefits Expense	30	26,838.12	21,858.07
Finance Costs	31	1,429.72	994.65
Depriciation and Amortisation Expense	3	1,349.62	1,313.05
Administrative and Other Expenses	32	13,064.78	11,011.87
Corporate Social Responsibility Expenses		64.08	134.83
Provisions made		1,906.25	190.90
Total Expenses		155,529.32	120,084.17
Profit before exceptional and extraordinary Items and Tax		6,692.20	5,994.69
Exceptional and extraordinary items		-	-
PROFIT BEFORE TAX		6,692.20	5,994.69
Tax Expense	33		
- Current Tax		3,255.12	1,740.00
- Deferred Tax		(952.83)	(353.45)
Total of Tax Expense		2,302.29	1,386.55
Profit for the period (A)		4,389.91	4,608.14
Other Comprehensive Income / (Loss)			
Calci Comprehensive Income / (1000)			
(i) Items that may be re-classified to Profit & loss			
Exchange difference arising on translating foreign operations		(1,745.88)	(590.70)
Income Tax effect	33	610.08	204.43
Net other Comprehensive Income / (Loss) to be re- classified to profit & loss in subsequent periods		(1,135.80)	(386.27)





# Statement of Profit & Loss for the year ended 31 March 2019 (contd..)

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31, 2019	Year ended March 31, 2018
(ii) Items that will not be reclassified to Profit & loss			
Acturial Gain/(Loss) on defined benefit plans		(174.53)	(720.16)
Income Tax effect	33	60.99	249.24
Net other Comprehensive Income / (Loss) not to be reclassified to profit & loss in subsequent periods		(113.54)	(470.92)
Other Comprehensive Income / (Loss) net of tax (i+ii) (B)		(1,249.34)	(857.19)
Total Comprehensive Income for the year net of tax (A+B)		3,140.57	3,750.95
Earnings per share of Rs. 10/- each (In Rs.):	59		
- Basic		7.42	7.78
- Diluted		7.42	7.78
Significant Accounting Policies	1		

Notes from 1 to 62 form intergral part of Accounts

This is the Statement of Profit & Loss referred to in our report of even date

For and on behalf of the Board of Directors

For Hingorani M & Co. Chartered Accountants

(Firm Regn. No. : 006772N)

(Pardeep Kumar)

Partner

Membership No.: 085630

Date: 26.08.2019 Place: New Delhi N.Jain
Director (Finance)
DIN 06942419

wall

**A.K. Jain**Executive Director (F&A)

As

**A.Seshagiri Rao** Chairman & Managing Director DIN 06364174

Br

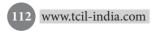
**Rashmi Chawla**Dy. Company Secretary



# Cash Flow Statement for the year ended March 31, 2019

(All amounts are in Rupees in Lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
A	CASH FLOWS FROM OPERATING ACTIVITIES		
	Net profit before taxation as per statement of Profit & Loss	6,692.20	5,994.69
	- Extraordinary Items	-	-
	Net profit before taxation, and extraordinary items	6,692.20	5,994.69
	Adjustments for:		
	- Depreciation & Amortisation Expenses	1,349.62	1,313.05
	- Foreign Exchange Loss / Gain	(1,745.88)	(590.70)
	-Loss / Profit on Sale of Assets/ Scrapping of Assets	122.36	95.97
	- Interest Income	(142.95)	(299.44)
	- Dividend Income	(7.20)	(2,047.20)
	- Interest Expenses	1,363.77	893.55
	- Provision for Doubtful Debts / Advances	1,906.20	67.77
	- Bad Debts Written Off	161.86	154.91
	- Provision for Dimunition in value of Investment	0.05	123.13
	- Acturial Gain / Loss on Defined Benefit Plan	(174.53)	(720.16)
	Operating profit before working capital changes	9,525.50	4,985.57
	Adjustments for :		
	- Change in Sundry Debtors	(43,698.53)	216.41
	- Change in Inventories	(421.40)	(311.74)
	- Change in Trade payable	26,164.88	17,182.93
	- Change in Other Current/ Non Current Liabilities & Provisions	20,783.07	17,478.55
	- Change in Other Current / Non Current assets	(7,196.15)	(28,456.44)
	Cash generated from operations	5,157.37	11,095.28
	- Income taxes paid	(2,216.12)	(597.13)
	Net cash from operating activities - (A)	2,941.25	10,498.15
В	CASH FLOWS FROM INVESTING ACTIVITIES		
	- Purchase of Fixed assets including FX Gain /Loss	(318.33)	(309.73)
	- Proceeds from sale of equipment	436.41	447.22
	-Change in Other Bank balances	14.67	55.89
	- Interest received	142.95	299.44
	- Dividend received	7.20	2,047.20
	Net cash from (used in) investing activities - (B)	235.07	2,540.02
С	CASH FLOWS FROM FINANCING ACTIVITIES		
	-Repayment of Long-Term Borrowings	(3,166.67)	(3,166.66)
	- Interest paid	(1,363.77)	(893.55)
	-Dividend & Dividend Distribution tax paid	(2,222.14)	(852.40)
	Net cash used in / from financing activities - (c)	(6,752.58)	(4,912.61)











# Cash Flow Statement for the year ended March 31, 2019 (contd...)

(All amounts are in Rupees in Lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
NET INC	CREASE / (DECREASE) IN CASH & BANK BALANCES -	(3,576.26)	8,125.56
Cash and	Bank balances at beginning of period	16,331.83	8,206.27
Cash and	Bank balances at end of period	12,755.57	16,331.83
NET INC	CREASE / (DECREASE) IN CASH & BANK BALANCES	(3,576.26)	8,125.56

#### Notes:

**(** 

- 1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows"
- 2. Cash and cash equivalents at the end of the period include deposit with banks Rs. 0.04 Lakhs (Previous year Rs. 3.59 lakhs) held by foreign branches which are not freely repatriable to the company because of currency exchange restriction, however amounts are held in continuing projects towards local expenditure of projects.
- 3. The undrawn borrowing facilities available for future operating activities and to settle capital commitments at 31st March 2019 amount to Rs. 22,438.25 Lakhs (Previous year Rs. 6649.22 Lakhs)
- 4. Figures in the brackets denotes negative value.
- 5. Previous year figures have been realigned / recast / regrouped wherever necessary

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of the Board of Directors

For Hingorani M & Co. **Chartered Accountants** (Firm Regn. No.: 006772N)

(Pardeep Kumar)

Partner

Membership No.: 085630

Date: 26.08.2019 Place: New Delhi Director (Finance) DIN 06942419

A.K. Jain Executive Director (F&A)

A.Seshagiri Rao Chairman & Managing Director DIN 06364174

> Rashmi Chawla Dy. Company Secretary

# •

Statement of Accounts

•

(All amounts are in Rupees in Lakhs, unless otherwise stated) STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL

Balance at the beginning of reporting period - April 1,	Changes in Equity share capital during the	Balance at the End of reporting period - March 31,2019
2018	year	
5,920.00	1	5,920.00

# B. OTHER EQUITY

•			Re	Reserves & Surplus	sn	Exchange		
Particulars	Share application money pending allotment	Equity Component of compound financial instruments	General Reserves	Other Reserves	Retained Earnings	differences on translating the financial statements of a foreign operation	Other items of Other Compre- hensive incomes	Total
Balance at the beginning of reporting period April 1, 2018	-	•	59,039.76	-	1	(2,443.18)	(726.44)	55,870.14
Total comprehensive income for the year	-	-	-	-	4,389.91	(1,135.80)	(113.54)	3,140.57
Less: Dividend & Dividend Distribution tax paid in current year	-	-	-	-	2,222.14	-	-	2,222.14
Balance at the end	-	-	59,039.76	-	2,167.77	(3,578.98)	(839.98)	56,788.57
Transfer to General Reserve	-	•	2,167.77	-	(2,167.77)	1	1	-
Balance at the end of reporting period March 31,2019	•	'	61,207.53	•	1	(3,578.98)	(839.98)	56,788.57

This is the Statement of Change in Equity referred to in our report of even date

N.Jain Director (Finance) DIN 06942419

Executive Director (F&A)

A.Seshagiri Rao Chairman & Managing Director DIN 06364174

For and on behalf of the Board of Director

Rashmi Chawla

Dy. Company Secretary

For Hingorani M & Co. Chartered Accountants (Firm Regn. No.: 006772N)

(Pardeep Kumar)

Membership No.: 085630

Date: 26.08.2019 Place: New Delhi

www.tcil-india.com



# Notes Forming Part of the Financial Statements for the year ended March 31, 2019

#### 1. SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 GENERAL

#### (a) Corporate information

Telecommunications Consultants India Limited (TCIL) is a company limited by shares, incorporated and domiciled in India in 1978. TCIL, a prime engineering and consultancy company, is a wholly owned Government of India Public Sector Enterprise under the administrative control of the Dep artment of Telecommunications (DOT), Ministry of Communications, Government of India. A schedule 'A' Public Sector Company and a Mini Ratna category- 1. The Company is providing Indian telecom expertise in all fields of telecom, Civil and IT to developing countries around the world. Company's core competence is in the fields of Switching, Transmission Systems, Cellular services, Rural Telecommunication, Optical fiber based backbone trans systems, IT & Networking Solutions, Application Software, e-Governance, 3G/4G Network and also Civil construction projects.

#### (b) Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (c) Basis of preparation

#### i) Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 by Ministry of Corporate Affairs.

# i) <u>Historical cost convention</u>

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities consideration that is measured at fair value; and
- Defined benefit plans plan assets measured at fair value.

# 1.2 USE OF ESTIMATES

#### (a) Use of estimates and judgments

The preparation of the financial statements in conformity with IND AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Company financial statements is included in the following notes:

# • Classification of finance lease.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Recoverable amount of Trade and other receivables.
- Provisions.



Tax calculations.

#### (b) Summary of significant accounting policies

#### Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months
  after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle

#### 1.3 RECOGNITION OF INCOME/ EXPENDITURE

# **Revenue Recognition**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The consideration does not include taxes and duties collected on behalf of the government. The Company has generally concluded that it is the principal in its revenue arrangements.

#### (a) Consultancy and /or Service Contracts

Revenue from providing services is recognized based on performance obligation satisfied either over time or at a point in time. In case performance obligation satisfied over time, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on Input or output method after considering physical progress, efforts, proportion the cost incurred to date bear to the total estimated cost of the transaction, time spent, service performed or any other method that management considerers appropriate.

In other cases where performance obligation is not satisfied over time, revenue is recognized at a point in time when control of the asset is transferred to the customer, generally on delivery of the asset.

In case contracts include multiple performance obligations, the transaction price is allocated to each performance obligation on





the stand alone selling price. Therefore the performance obligation is satisfied in case of sale of a unit at a point in time, and hence revenue is recognized at a point in time when the performance obligation is satisfied.

#### (b) Trade Income

Trade income is recognized on the basis of point in time when the Company transfers control of the asset to the customer, which generally happens on delivery of the asset.

# (c) Turnkey Projects (Including cost plus contracts)

Under turnkey contracts, the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

For turnkey contracts, the transaction price is the price which is contractually agreed with the customer. The revenue is recognized over time using an input method to measure progress towards complete satisfaction, because customer controls the asset as it is created or enhanced.

#### Notes:

- Where a contract for supply of material and for works is not a single unit, revenue for supply of material is accounted for as trading income under 1.3 (b), while the works are accounted for in accordance with turnkey project under 1.3 (c), above.
- ii) In case of a contract for supply of material and services, income from supply of material is taken under 1.3 (b), while for services income is taken under 1.3 (a) as service contract.

# (d) Build-Operate-Transfer (BOT) projects:

- i) Revenue relatable to construction services rendered in connection with BOT projects undertaken by the company is recognized during the period of construction using percentage completion method.
- ii) Revenue relatable to toll collections of such projects from users of facilities isaccounted when the amount is due and recovery
- iii) License fees for way-side amenities are accounted on accrual basis.

#### PROVISION FOR WARRANTY / MAINTENANCE PERIOD EXPENSES 1.4

- (a) On completion of the contract or when warranty period commences in terms of contracts for projects covered under 1.3(c), provision is made for warranty period / maintenance expenses on specific basis as estimated. The excess provision created in earlier years is written back through "Other Operating Income" after completion of the warranty period.
- (b) On Supplies covered under 1.3(b), provision is made for warranty period /maintenance expenses on specific basis as estimated. The excess provision created in earlier years, if any, is written back through "Other Operating Income" after completion of the warranty period.

#### Others Provisions

Provisions for legal claims, service warranties, volume discounts and returns are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

# 1.5 ACCOUNTING OF LEASES

#### Leases

#### Financial Lease

Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or







Statement of Accounts



other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

#### **Operating Lease**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### 1.6 STORES, SPARES, STOCK-IN-TRADE AND WORK IN PROGRESS

#### Inventories:-Stores, Spares, Stock-in-Trade and Work in Progress

Telecommunications Consultants India Limited Annual Report 2018-19

- Stores and spares including uninstalled stores and spares are valued at cost. Cost is ascertained on Weighted (a) Average basis.
- (b) Stock-in-trade is valued at lower of cost or realizable value.
- (c) Loose tools are charged in the year of purchase.
- (d) On completion of project abroad when no new project is anticipated in that country and assets / stores are not required during Warranty period also, Assets/Stores are discarded and declared as scrapped and valued at one unit each of the respective currency till its disposal.
- (e) Work in progress for contracts for which revenue recognition is as per Accounting Policy is valued at cost plus attributable profit.

#### 1.7 TRANSLATION OF FOREIGN CURRENCIES

# Foreign Currencies

Items included in the financial statements of each of the foreign operations are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

#### Transactions & Balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

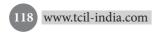
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of the following:

- Exchange differences arising in the financial statements that include the foreign operation (Branch/Site office) and the reporting entity, such exchange differences are recognized initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the net investment of a foreign operation. These are recognized in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction; and in case non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

#### Translation to the presentation currency

The results and financial position of an entity whose functional currency is differ than presentation currency shall be









translated into a presentation currency using the following procedures

- (a) assets and liabilities for each balance sheet presented (ie including comparatives) shall be translated at the closing rate at the date of that balance sheet;
- (b) income and expenses for each statement of profit and loss presented (ie including comparatives) shall be translated at exchange rates at the dates of the transactions; and
- c) all resulting exchange differences shall be recognized in other comprehensive income.

The exchange differences referred to in above paragraph (c) result from:

- Translating income and expenses at the exchange rates at the dates of the transactions and assets and liabilities at the closing rate.
- Translating the opening net assets at a closing rate that differs from the previous closing rate.

These exchange differences are not recognized in profit or loss because the changes in exchange rates have little or no direct effect on the present and future cash flows from operations. The cumulative amount of the exchange differences is presented in a separate component of equity until disposal of the foreign operation.

On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, shall be reclassified from equity to profit or loss (as a reclassification adjustment) when the gain or loss on disposal is recognized.

#### 1.8 BORROWING COSTS

#### **Borrowings**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

# 1.9 INVESTMENTS

#### **Investment properties**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Investments (IND AS 101 and 27)

Investments in Subsidiaries, Joint ventures and associates in India or outside India are classified as long term investments and are carried cost. There may be decline in the value, if the company encounters impairment during the annual test of impairment; then the investment is shown at the reduced value. In case where the investments are quoted in stock exchange and are being quoted at less than the cost price for the last 12 months, in such cases, it is being treated as a permanent decline in the cost and are being accounted for at reduced value. On improvement of performance, these investments are valued upto the cost.

In cases of unquoted investments, if there is a decline in the performance of the company for thirty six months, the investment is shown at the reduced value. In case company has made Investment in a venture having operating project with long gestation period, no impairment is made during the initial period in which the company is expected to make losses, till the time the entire loss is recouped, as per the approved feasibility report. After such initial period, the impairment is recognized on the basis of the diminution in value of Investment in such company. However, if there is agreement with any other party for realization of investment at par value, investment will continue to be shown at par value. On improvement of performance, these investments are valued up to the cost







# 1.10 INTANGIBLE ASSETS AND AMORTISATION-BOT PROJECTS

#### Intangible assets

#### (a) Software

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or infinite.

Intangible assets with finite lives are amortized over the useful economic lives and assessed for impairment whenever there is an indication or once in every year that the intangible assets may be impaired. The amortization period and method are reviewed at the end of each reporting period.

# (b) Rights of collection

Toll collection rights obtained as concessionaire or rendering construction services represent the right to collect toll revenue during the concession period in respect of BOT projects undertaken by the company. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs including related margins as given in Accounting Policy 1.3(d) plus obligation towards negative grants payable, if any. Till completion of the project, the same is recognized as capital work-in-progress. Administrative and other general overhead expenses that are attributable to acquisition of intangible assets are allocated as a part of cost of the intangible assets.

#### Amortization

- Computer software is amortized on SLM method over a period of 3 years
- —Toll collection rights (Intangible Assets) are amortized over the concession period / agreement in proportion to actual revenue for the year to total Projected Revenue from the Intangible assets as provided to the project Lender at the time of Financial closure/agreement for the first year and in subsequent years as revised at the end of each financial year based on revised Projected total revenue for the total concession period.

#### 1.11 CONTRACT COMPLETION

Revenue on turnkey jobs is recognized as per Accounting Policy 1.3(c). The contract is considered as completed when the last job in the contract is completed and the maintenance/ warranty period commences.

#### 1.12 DEPRECIATION ON FIXED ASSETS IN INDIA AND ABROAD

# Depreciation on Property, plant and equipment

Property, plant and equipment are stated at the cost of acquisition or construction less accumulated depreciation and write down for, impairment if any. Costs that are directly related to acquisition of asset are capitalized until the assets are ready to be put to use. Property, plant and equipment purchased in foreign currency are recorded at cost, based on the exchange rate on the date of purchase.

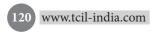
The Company identifies and determines cost of each component/ part of Property, plant and equipment separately, if the component/ part have a cost which is significant to the total cost of the Property, plant and equipment and has useful life that is materially different from that of the remaining asset.

Gains or losses arising from derecognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of Property, plant and equipment and are recognized in the statement of profit and loss when the Property, plant and equipment is derecognized. Cost of assets not ready for use at the balance sheet date is disclosed under capital work-in-progress.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. (Ind AS 16)

#### Depreciation on fixed assets

- —Leasehold lands are amortized over the period of lease.
- Leasehold buildings are depreciated over the period of lease. In case useful life as specified in Schedule II of Companies Act 2013 is less than period of lease then depreciation shall be charged over useful life as specified in Schedule II of Companies Act 2013.









- Depreciation on other fixed assets is provided on straight line method based on the useful life as specified in Schedule II of Companies Act 2013
- Capital items valuing less than Rs 5000/- each are fully depreciated in the year of acquisition

#### 1.13 CAPITAL SUBSIDY/ GRANTS

#### Grants

- Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.
- Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight- line basis over the expected lives of the related assets and presented within other income.

#### 1.14 TAXATION

#### Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.







# 1.15 AGENCY TRANSACTIONS

- (i) Agency/ Sponsorship fee is paid on realization of bills/ receipt of advance payment. It is accounted for on accrual basis.
- (ii) In respect of projects in some countries, business is transacted through Agents/ JV Companies. Assets and liabilities in the name of such Agents/JV Companies are shown as assets and liabilities of the company under natural heads of accounts. This is being done as the company is principal and responsible for execution and profit/ loss of the project and the routing of transaction through Agents/JV companies is as per requirement of law and contract in these countries.

#### 1.16 LIQUIDATED DAMAGES / CLAIMS

Liquidated damages/ claims deducted by customer or the company are considered on admittance basis and accounted for in miscellaneous expenses/ income.

#### 1.17 RETIREMENT BENEFITS

#### Retirement Benefits

# Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. The Actuarial valu ation is taken and used to measure the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### Post-employment obligations

The Company operates the following post-employment schemes:

- a) defined benefit plans such as gratuity, post-employment medical plans; and
- b) defined contribution plans such as provident fund.

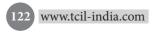
*Gratuity:*- Liability for payment of gratuity to employees rest with "Telecommunications Consultants India Limited Group Gratuity Trust "which has taken a Group Gratuity cum Life Assurance Policy from Life Insurance Corporation of India. Amount paid / payable for keeping the said policy in force based upon actuarial valuation is charged to Profit and Loss Account

#### Leave Encashment

For Leave Encashment of employees on retirement, the company provides liability on the basis of actuarial valuation.

# Retirement Medical Benefits

The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit plans. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise.





#### 1.18 LIABILITIES / CONTINGENT LIABILITIES

Contingent liabilities are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

#### 1.19 PREPAID EXPENSES.

Prepaid expenses upto Rs 25000/- are treated as expenditure of the current year and charged to the natural heads of account.

#### **MISCELLANEOUS** 1.20

- Claims for interest on overdue receivables are accounted for on admittance.
- Claims for Export Incentives and Insurance claims are accounted on admittance.
- iii. In case of BOT toll road project, expenses incurred on overlay shall be charged in the same financial year.

#### 1.21 IMPAIRMENT

#### 1) Financial assets

The Company assesses financial assets at each reporting date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses (ECL) model for measurement and recognition of impairment loss on financial assets and credit risk exposure.

Company follows 'simplified approach' for recognition of impairment loss. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

# Non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

#### 1.22 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement: - All financial assets are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement:-

- 1) Financial instruments at amortized cost the financial instrument is measured at the amortized cost if both the following conditions are met:
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.







2) Financial assets at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI) A financial asset is classified as FVTPL if it is classified as held for trading or is designated as such on initial recognition. In other cases, Company decides to classify the each financial instrument either as at FVOCI or FVTPL at initial recognition.

#### Financial asset

#### - Held-to-maturity financial assets

If Company, has positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held to maturity. Held-to-maturity financial assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

#### - Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise cash and cash equivalents, and trade and other receivables.

#### - Cash and Cash equivalents

Cash and cash equivalents comprise cash balances (Cash in hand, bank balances) and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of the short-term commitments.

#### - Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognized initially at fair value plus any directly attributable transaction costs.

#### - Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment

# Financial liabilities

Company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated as at fair value through profit or loss or fair value through other comprehensive income) are recognized initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables.



NOTE 2

#### A: EQUITY SHARE CAPITAL

(All amounts are in Rupees in Lakhs, unless otherwise stated)

a. Authorised, Issued, Subscribed and Paid-up Share Capital:

,,,					
Particulars	As at March 31, 2019 Marc		As at March 31, 2	As at rch 31, 2018	
	Numbers	Rs.	Numbers	Rs	
Authorised Share Capital					
Equity Shares of Rs. 10/- each	160,000,000	16,000	60,000,000	6,000	
Issued, Subscribed and Paid-up					
Equity Share Capital					
Equity Shares of Rs 10/- each fully Paid-up	59,200,000	5,920	59,200,000	5,920	
Total	59,200,000	5,920	59,200,000	5,920	

#### b) Reconciliation of number of shares:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Numbers	Rs.	Numbers	Rs
<b>Equity Shares</b>				
Opening balance	59,200,000	5,920	59,200,000	5,920
Issued during the year	-	-	-	1
Closing balance	59,200,000	5,920	59,200,000	5,920

# c) Shareholders' holding more than 5% shares of the Company:

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Equity Shares</b>		
The President of India & his nominees (Nos)	59,200,000	59,200,000
Holding (%)	100	100

- i) During the year the authorised captal has been increased to Rs. 16,000 lakhs from Rs. 6,000 Lakhs
- ii) Out of the shares outstanding as on 31.03.2019, 4,29,00,000 equity shares of Rs. 10/-each have been allotted as fully paid up Bonus shares by capitalising General Reserve for consideration other than cash.
- iii) Eight Government of India officials are holding 28,800 shares of Rs. 10/- each as nominees of President of India.
- iv) During the period of five years immediately preceding the date of Balance Sheet, the Company has not:
  - i) Allotted fully paid up shares by way of bonus shares.
  - ii) Bought back any class of shares.
- v) Each equity share carries right to vote and the Company has issued only one class of share i.e. equity share
- vi) Vote of members: Every member present in person and being a holder of equity share shall have one vote and every person either as a general proxy on behalf of a holder of equity share, shall have one vote or upon a poll, every member shall have one vote for every share held by him.



# Notes forming part of Financial Statements

**NOTE 2B: OTHER EQUITY** 

(All amounts are in Rupees in lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
i) General Reserve		
Opening Balance	59,039.76	55,284.02
Additions / (Deductions) during the year	2,167.77	3,755.74
Closing Reserves	61,207.53	59,039.76
ii) Surplus in Statement of Profit & loss		
Opening Balance	-	-
Profit for the Period	4,389.91	4,608.14
Less:		
Dividend paid	1,843.25	708.22
Dividend distribution tax paid	378.89	144.18
Transfer to General Reserve	2,167.77	3,755.74
Closing Balance	-	-
iii) Other Components of Equity		
Exchange difference arising on translating foreign operations (Net of tax)	(3,578.98)	(2,443.18)
Acturial Gain / (Losses) on defined benefit plans (Net of tax)	(839.98)	(726.44)
Sub Total (iii)	(4,418.96)	(3,169.62)
Total (i+ii+iii)	56,788.57	55,870.14







Notes forming part of Financial Statements	NOTE 3 :PROPERTY, PLANT & EQUIPMENT

**(** 

(All amounts are in Rupees in Lakhs, unless otherwise stated) 3A - TANGIBLE ASSETS (INLAND)

Particulars         As on April 1,2018         Additions/ Librarian Intervent         Sale/ Adjust- and March         As at March 1,2018         <				GROSS BLOCK	ЭСК			DE	DEPRICIATION	Z		NET	NET BLOCK
orary Structure         48.27         -         -         48.27         -         -         -         48.27         -<	Particulars	As on April 1,2018	Additions/ Adjust- ments during the year	Transfer	Sale/ Adjust- ments during the year	As at March 31, 2019	As on April 1,2018	Depreciation during the year	Transfer	Sale/ Ad- justments during the year	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
48.27         -         48.27         -         48.27         -         48.27         -         -         48.27         -         -         48.27         -         -         -         48.27         -													
-Office (Leasehold)         660.16         - <td>Temporary Structure</td> <td>48.27</td> <td>-</td> <td>ı</td> <td>1</td> <td>48.27</td> <td>47.34</td> <td>0.93</td> <td>1</td> <td>1</td> <td>48.27</td> <td></td> <td>0.93</td>	Temporary Structure	48.27	-	ı	1	48.27	47.34	0.93	1	1	48.27		0.93
ing-Office (Lease-lodd)         660.84         -         660.84         157.41         125.76         6.11         -         128.87           ing-Office (Lease-lodd)         660.84         -         -         660.84         157.41         12.57         -         169.98           ing-Residential         66.47         -         -         -         660.47         38.76         0.99         -         -         169.98           ing-Residential         66.47         -         -         -         660.47         38.76         0.99         -         -         169.98           ing-Residential         660.47         -         -         -         -         660.47         38.76         0.99         -         -         169.98           Amchinery         216.38         0.25         6.25         0.25         6.69         -         -         6.03         -	Land	34.37	-	-	-	34.37	1	-	-	-		34.37	34.37
ling - Office (Lease-         660.84         - </td <td>Land - Office (Leasehold)</td> <td>605.16</td> <td>-</td> <td>-</td> <td>-</td> <td>605.16</td> <td>122.76</td> <td>6.11</td> <td>-</td> <td>-</td> <td>128.87</td> <td></td> <td>482.40</td>	Land - Office (Leasehold)	605.16	-	-	-	605.16	122.76	6.11	-	-	128.87		482.40
esidential         66.47         38.76         38.76         0.99         -         -         39.75           ad Fixture         680.42         7.48         -         (6.92)         680.98         641.07         6.63         -         6.855         640.85           inery and pitatres         216.38         0.25         0.25         (0.23)         216.65         192.42         9.35         -         (6.85)         640.85           spliances         390.24         7.86         -         (30.05)         368.05         306.63         20.51         -         (0.17)         201.60           spliances         390.24         7.86         -         (30.05)         368.05         306.63         20.51         -         (0.17)         201.60           achinery         2,431.85         -         (1,644.05)         787.80         1,562.52         87.50         -         (1,111.25)         538.77           achinery         2,431.85         -         -         (1,644.05)         762.29         886.06         81.54         -         (4,79)         962.81           AL(3A)         6,575.84         84.26         1,301.98         220.89         241.21         -         (1,203.72)	Building - Office (Lease- hold)	660.84	1	ı	-	660.84	157.41	12.57	-	-	169.98		503.43
nd Fixture         680.42         7.48         -         (6.92)         680.98         641.07         6.63         -         (6.83)         640.85           inery and planets         216.38         0.25         0.25         0.23         216.66         192.42         9.35         -         (0.17)         201.60           spliances         390.24         7.86         -         (30.05)         368.05         366.63         20.51         -         (0.17)         201.60           achinery         148.95         46.69         -         (36.13)         159.51         126.12         10.29         -         (35.64)         100.77           achinery         2,431.85         -         (1,644.05)         787.80         1,562.52         87.50         -         (1,111.25)         538.77           uipments         256.53         0.08         -         (27.52)         1,054.50         886.06         81.54         -         (4.79)         962.81           AL(3A)         6,575.84         84.26         1,750.19         4,911.69         4,301.98         241.21         -         (1,203.72)         3,339.47           Year (17-18)         7,409.26         38.07         -         (877.84	Building - Residential	66.47	_	-	-	66.47	38.76	0.99	-	-	39.75		27.71
inery and 216.38	Furniture and Fixture	680.42	7.48	-	(6.92)	86.089	641.07	6.63	-	(6.85)	640.85		39.35
390.24         7.86         -         (30.05)         368.05         306.63         20.51         -         (20.28)         306.86           148.95         46.69         -         (36.13)         159.51         126.12         10.29         -         (35.64)         100.77           1,036.36         2,431.85         -         (1,644.05)         787.80         1,562.52         87.50         -         (1,111.25)         538.77           1,036.36         21.90         1.53         (5.29)         1,054.50         886.06         81.54         -         (4.79)         962.81           256.53         0.08         -         (27.52)         229.09         220.89         4.79         -         (24.74)         200.94           4,575.84         84.26         1,78         1,750.19         4,911.69         4,301.98         241.21         -         (1,203.72)         3,339.47           18         7,409.26         38.07         -         (871.49)         6,575.84         4,226.22         420.18         -         (1,203.72)         4,301.98	Office Machinery and Equipments	216.38	0.25	0.25	(0.23)	216.65	192.42	9.35	-	(0.17)	201.60		23.96
fachinery         148.95         46.69         -         (36.13)         159.51         126.12         10.29         -         (35.64)         100.77           fachinery         2,431.85         -         -         (1,644.05)         787.80         1,562.52         87.50         -         (1,111.25)         538.77           luipments         1,036.36         21.90         1.53         6.529)         1,054.50         886.06         81.54         -         (4,79)         962.81           AL (3A)         6,575.84         84.26         1.78         (1,750.19)         4,911.69         4,301.98         241.21         -         (1,203.72)         3,339.47           Year (17-18)         7,409.26         38.07         -         (871.49)         6,575.84         4,226.22         420.18         -         (1,203.72)         4,301.98	Electrical Appliances	390.24	7.86	-	(30.05)	368.05	306.63	20.51	-	(20.28)	306.86		83.61
factlinery         2,431.85         -         (1,644.05)         787.80         1,562.52         87.50         -         (1,111.25)         538.77           fulpments         1,036.36         21.90         1.53         (5.29)         1,054.50         886.06         81.54         -         (4.79)         962.81           Iuipments         256.53         0.08         -         (27.52)         229.09         220.89         4.79         -         (24.74)         200.94           AL (3A)         6,575.84         84.26         1.78         (1,750.19)         4,911.69         4,301.98         241.21         -         (1,203.72)         3,339.47           Year (17-18)         7,409.26         38.07         -         (871.49)         6,575.84         4,226.22         420.18         -         (344.42)         4,301.98	Vehicles	148.95	46.69	-	(36.13)	159.51	126.12	10.29	-	(35.64)	100.77	58.74	22.83
Initial Light         1.036.36         21.90         1.53         1,054.50         886.06         81.54         -         (4.79)         962.81           Initial Light         256.53         0.08         -         (27.52)         229.09         220.89         4.79         -         (24.74)         200.94           AL (3A)         6,575.84         84.26         1.78         (1,750.19)         4,911.69         4,301.98         241.21         -         (1,203.72)         3,339.47           Year (17-18)         7,409.26         38.07         -         (871.49)         6,575.84         4,226.22         420.18         -         (344.42)         4,301.98	Plant and Machinery	2,431.85	-	-	(1,644.05)	787.80	1,562.52	87.50	-	(1,111.25)	538.77		869.33
1         256.53         0.08         -         (27.52)         229.09         220.89         4.79         -         (24.74)         200.94           1         6,575.84         84.26         1.78         (1,750.19)         4,911.69         4,301.98         241.21         -         (1,203.72)         3,339.47           18         7,409.26         38.07         -         (871.49)         6,575.84         4,226.22         420.18         -         (344.42)         4,301.98	Computers	1,036.36	21.90	1.53	(5.29)	1,054.50	886.06	81.54	-	(4.79)	962.81	91.69	150.30
6,575.84         84.26         1.78         (1,750.19)         4,911.69         4,301.98         241.21         -         (1,203.72)         3,339.47           7,409.26         38.07         -         (871.49)         6,575.84         4,226.22         420.18         -         (344.42)         4,301.98	Training Equipments	256.53	0.08	-	(27.52)	229.09	220.89	4.79	-	(24.74)	200.94	28.15	35.64
7,409.26 38.07 - (871.49) 6,575.84 4,226.22 420.18 - (344.42) 4,301.98	TOTAL (3A)	6,575.84	84.26	1.78	(1,750.19)	4,911.69	4,301.98	241.21	-	(1,203.72)	3,339.47	1,572.22	2,273.86
	Previous Year (17-18)	7,409.26	38.07	1	(871.49)	6,575.84	4,226.22	420.18	1	(344.42)	4,301.98		3,183.04

Note: 1. Land & Building - Office (Lease Hold) is acquired under finance lease from VSNL for a period of 99 years and it is depreciated over the life of the lease term. Note: 2. Figures in brackets denotes negative values

Statement of Accounts





# Statement of Accounts

•

ing part of Financial Statements	NOTE 3 :PROPERTY, PLANT & EQUIPMENT (contd)
Notes forming part of	NOTE 3 :PROPERT

(All amounts are in Rupees in Lakhs, unless otherwise stated) 3B - TANGIBLE ASSETS (FOREIGN)

			GROSS	GROSS BLOCK					DEPRI	DEPRICIATION			NET BLOCK	LOCK
Particulars	As on April 1,2018	Additions/ Adjustments during the	Transfer	Sale/Ad- justments during the year	Exch. Gain / (Loss)	As at March 31, 2019	As on April 1,2018	Depreciation during the year	Trans- fer	Sale/Ad- justments during the year	Exch (Gain) / Loss	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Temporary Structure	37.51	1	-	(12.85)	1.58	26.24	36.87	0.67	-	(12.85)	1.54	26.23	0.01	0.64
Furniture and Fixture	97.18	5.76	1	(0.79)	5.04	107.19	75.38	3.69	1	(0.69)	3.78	82.16	25.03	21.80
Office Machinery and Equipments	96.19	2.07	(0.25)	(0.72)	5.3	102.59	82.85	4.56	1	(0.13)	4.37	91.65	10.94	13.34
Electrical Appliances	136.84	6.51	-	(0.87)	7.82	150.3	92.69	7.05	-	(0.72)	5.15	104.17	46.13	44.15
Vehicles	2108.14	75.69	-	(49.14)	114.99	2249.68	1314.67	182.39	1	(46.69)	69:99	1516.96	732.72	793.47
Plant and Machinery	2437.99	8.5	1	(15.7)	136.63	2567.42	1276.61	141.82	1	(6.82)	69.21	1480.82	1086.6	1161.38
Computers	147.44	13.11	(1.53)	(1.14)	7.58	165.46	125.2	13.14	-	(1.01)	5.87	143.2	22.26	22.24
TOTAL (3B)	5061.29	111.64	(1.78)	(81.21)	278.94	5368.88	3004.27	353.32	1	(68.91)	156.51	3445.19	1923.69	2057.02
Previous Year (17-18)	5030.42	254.76	-	(280.47)	56.58	5061.29	2903.26	323.61	-	(264.35)	41.75	3004.27	2057.02	2127.16
G. Total (3A+3B)	11637.13	195.9	-	(1831.4)	278.94	10280.57	7306.25	594.53	-	(1272.63)	156.51	6784.66	3495.91	4330.88
Previous Year Total (17-18)	12439.68	292.83	1	(1151.96)	56.58	11637.13	7129.48	743.79	'	(608.77)	41.75	7306.25	4330.88	5310.20

Note: 1. Figures in brackets denotes negative values



14	•
/	"
_	$\sim$

al Statements	S
g part of Financial	NTANGIBLE ASSETS
Notes forming p	NOTE 4 - INTA

$\overline{}$
pa
at
e st
se
Ĭ.
therwise
Ę
ō
unless o
of le
n
pees in Lakhs, u
akhs
La]
J I
· Ξ
Se
ď
Rup
re in l
e i
ar
ts a
II
noun
III
= 5
Ā
$\overline{}$

(All amounts are in Rupees in Lakhs, unless otherwise stated)	in Rupees	in Lakhs, un	less other	wise stated)								
		GR	GROSS BLOCK	CK			DE	DEPRICIATION	ION		NE	NET BLOCK
Particulars	As on April 1,2018	Additions/ Adjust- ments during the year	Trans- fer	Sale/ Ad- Trans- justments fer during the year	As at March 31, 2019	As on April 1,2018	Depreciation during the year	Trans-	Sale/ Adjust- ments during the year	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Toll Collection Rights (13 years 6 months)	7,683.91	-	1	-	7,683.91	3,443.03	754.40	1	1	4,197.43	3,486.48	4,240.88
Computer Software	398.41	_	-	-	398.41	396.42	69.0	-	-	397.11	1.30	1.99
TOTAL	8,082.32	_	1	-	8,082.32	3,839.45	755.09	1	-	4,594.54	3,487.78	4,242.87
Previous Year (17-18)	8,080.25	2.07	ı	1	8,082.32	3,270.19	569.26	1	-	3,839.45	4,242.87	4,810.06





NOTE 5 : NON CURRENT FINANCIAL ASSETS: INVESTMENTS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

(All amounts are in Rupees in Lakhs, unless otherwise stated)		
Particulars	As at March 31, 2019	As at March 31, 2018
Long - term Investments		
- Joint Ventures:		
Unquoted at Cost		
Telecommunications Consultants Nigeria Ltd.		
26000 (Previous year 26000) fully paid Equity Shares of 1 Naira each representing 40% of Capital		
Original Value	3.75	3.75
Less : Decline in value due to Devaluation of Naira	3.75	3.70
	-	0.05
Bharti Hexacom Ltd.		
7,50,00,000 (Previous year 7,50,00,000) fully paid Equity Shares of Rs.10 each, representing 30% of Capital	10,620.00	10,620.00
TBL International Ltd.		
87,641 (Previous year 87,641) fully paid Equity Shares of Rs.100 each representing 44.94% of Capital	83.73	83.73
Intelligent Communications Systems India Ltd.		
36,000 (Previous year 36,000) fully paid Equity Shares of Rs.100 each, representing 36% of Capital	36.00	36.00
United Telecom Ltd., Nepal		
57,31,900 (Previous year 57,31,900) Equity Shares of 100 Nepali Rupees each, representing 26.66% of Capital	3,584.19	3,584.19
	14,323.92	14,323.97
- Subsidiaries		
Unquoted at Cost		
TCIL Oman LLC, Oman		
1,05,000 (Previous year 1,05,000 ) Equity Shares of 1 Omani Rial each, representing 70% of Capital	120.92	120.92
TCIL Bina Toll Road Ltd.		
1,95,70,000 (previous year 1,95,70,000) fully paid Equity Shares of Rs.10 each, representing 100% of Capital	1,957.00	1,957.00



www.tcil-india.com 131

11/29/2019 8:32:46 PM



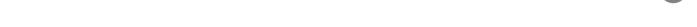
# Notes forming part of Financial Statements

NOTE 5: NON CURRENT FINANCIAL ASSETS: INVESTMENTS (contd....)

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
TCIL Lakhnadone Toll Road Ltd.		
2,31,10,000 (previous year 2,31,10,000) fully paid Equity Shares of Rs.10 each, representing 100% of Capital	2311	2311
TCIL USA Inc.		
Share Application Money	47.83	-
	4436.75	4388.92
- Quoted at Cost		
Tamilnadu Telecommunications Ltd.		
2,23,83,700 (Previous year 2,23,83,700) Equity Shares of Rs.10 each, representing 49% of Capital	2238.37	2238.37
(Market price as on 31.03.2019 is Rs. 1.60 each (Previous year Rs. 3.45 each)		
Less: Provision for Dimunition in value of Investment	1466.13	1466.13
	772.24	772.24
TOTAL	19532.91	19485.13
Aggregate value of Quoted Investments	772.24	772.24
Aggregate value of Unquoted Investments	18760.67	18712.89
Market value of Quoted Investments	358.14	772.24

During the year , M/s TCIL USA Inc has been incorporated in USA, as 100% subsidiary company on 29th Nov., 18. The authorised capital of the subsidiary compay in aggregate is 1,000,000 shares of a single class of voting common stock, with par value of USD 5 per share. Upto 31st March 2019, the company has transferred a sum of INR 47.83 Lakhs as share application money. The shares are yet to be alloted.



FINAL FILE\_statement of account.indd 131





# Notes forming part of Financial Statements

# NOTE 6: NON CURRENT FINANCIAL ASSETS: TRADE RECEIVABLES

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
long-term Trade Receivables (including trade receivables on deferred credit terms)		
Unsecured		
Trade Receivables considered good	-	-
Retention Money considered good	2,653.88	2,149.45
Trade Receivables with significant increase in Credit Risk	1,113.85	1,071.50
	3,767.73	3,220.95
Less: Provision for Loss allowance	1,113.85	1,071.50
TOTAL	2,653.88	2,149.45

# Notes forming part of Financial Statements

# NOTE 7: NON CURRENT FINANCIAL ASSETS: LOANS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Advances		
Advances recoverable in cash or in kind or for value to be received		
Secured		
Related parties considerd good *	1,165.73	1,165.73
Others considered good		
- Staff Advances (Represent House Building Advances secured against first charge on immovable property and Vechicle advances secured against First charge on Vehicles)	40.12	57.99
Unsecured		
Related parties considerd good**	10,311.31	10,795.10
Related parties with significant increase in credit risk **	1,276.61	-
	11,587.92	10,795.10
Less: Related parties - Provision for Loss Allowance	1,276.61	-
	10,311.31	10,795.10
Others considered good	2.42	3.86
Security Deposits considered good	49.42	48.56
Interest Accured but not due on Loan considered good	45.37	50.04
TOTAL	11,614.37	12,121.28

<sup>\*</sup> represent Rs. 1165.73 Lakhs due from Tamilnadu Telecommunications LTD (Previous year Rs. 1165.73 Lakhs)

\*\* represent Rs. 11587.92 Lakhs due from SPVs (TCIL Bina Toll Road Ltd and TCIL Lakhnadone Toll Road Ltd.), (Previous year Rs. 10795.10 Lakhs)







# NOTE 8: NON CURRENT FINANCIAL ASSETS: OTHERS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Bank Deposits		
Deposits with maturity of more than 12 months	0.12	0.12
(Pledged with bank against Guarantees)		
TOTAL	0.12	0.12

# Notes forming part of Financial Statements

# **NOTE 9 : CURRENT ASSETS : INVENTORIES**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Inventories		
As taken, valued and certified by the Management (valued at cost)		
- Stores & Spares (including with Sub-contractors) at project sites	1,520.76	1,101.28
Less: Provision for obsolence/slow moving stores	53.67	55.59
TOTAL	1,467.09	1,045.69

FINAL FILE\_statement of account.indd 133

11/29/2019 8:32:46 PM



# Notes forming part of Financial Statements

# NOTE 10: CURRENT FINANCIAL ASSETS: TRADE RECEIVABLES

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Billed Receivables		
Unsecured		
A. Outstanding for period exceeding six months		
Trade Receivables considered good*	43,369.10	44,717.78
Retention Money considered good	1,242.07	940.64
Trade Receivables with significant increase in Credit Risk	5,753.40	5,293.38
TOTAL - A	50,364.57	50,951.80
B. Others		
Trade Receivables considered good	72,851.53	32,795.20
Retention Money considered good	1,039.18	1,633.25
Unbilled	32,186.64	28,132.12
TOTAL - B	106,077.35	62,560.57
TOTAL (A+B)	156,441.92	113,512.37
Less : Provision for Loss allowance	5,753.40	5,293.38
TOTAL	150,688.52	108,218.99

<sup>\*</sup> Includes amount due from Subsidiary Companies Rs. 6218.55 Lakhs (Previous year 5933.00 Lakhs)

134 www.tcil-india.com

FINAL FILE\_statement of account.indd 134







www.tcil-india.com 135

11/29/2019 8:32:47 PM



# Telecommunications Consultants India Limited Annual Report 2018-19

# Notes forming part of Financial Statements

# NOTE 11: CURRENT FINANCIAL ASSETS: CASH AND CASH EQUIVALENTS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
CASH AND CASH EQUIVALENTS		
A. Cash in Hand (including imprest balances)	23.27	17.31
B. Balances with Banks		
In Current Accounts	845.80	3,072.91
In Call Accounts	8.08	10.76
	853.88	3,083.67
Less: Provision against funds blocked in Banks *	50.71	49.45
	803.17	3,034.22
In Deposit Accounts		
Deposits with maturity of less than 3 months	11,921.70	13,260.17
In Saving Bank	7.43	20.13
TOTAL - B	12,732.30	16,314.52
TOTAL - (A+B)	12,755.57	16,331.83

<sup>\*</sup> Allied Bank of Nigeria, Nigeria and El Khalifa Bank, Algeria went into liquidation long time back and provision for outstanding balances was provided in the accounts in earlier years

# Notes forming part of Financial Statements

FINAL FILE\_statement of account.indd 135

# NOTE 12: CURRENT FINANCIAL ASSETS: OTHER BANK BALANCES

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Other Bank Balances		
Deposits with maturity of more than 3 months but less than 12 months	323.51	338.18
TOTAL	323.51	338.18





# Notes forming part of Financial Statements

NOTE 13: CURRENT FINANCIAL ASSETS: LOANS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance recoverable in cash or in kind or for value to be received		
Secured (Considered Good)		
- Staff Advances (Represent House Building Advances secured against first charge on immovable property and Vechicle advances secured against First charge on Vehicles)	15.27	18.62
	15.27	18.62
Unsecured		
- Considered Good	379.49	407.69
	379.49	407.69
Security Deposits considered good	3,086.07	2,166.11
Interest accrued but not due on advances considered good	7.91	10.86
Interest accued but not due on Deposits considered good	379.63	742.70
(Includes interest on Rs. 441 Lakhs (Previous year Rs. 446.00 Lakhs) of deposits in the name of Client A/c TCIL)		
TOTAL	3,868.37	3,345.98

# Notes forming part of Financial Statements

NOTE 14: CURRENT TAX ASSETS (Net)

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance Tax and Tax Deducted at Source	7,019.03	6,776.20
Less: Provision for Income Tax	5,023.82	4,413.06
TOTAL	1,995.21	2,363.14





NOTE 15: OTHER CURRENT ASSETS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Advances recoverable in cash or in kind or for value to be received		
Unsecured		
- Considered Good	19,637.65	17,770.76
- Considered Doubtful	3,171.91	3,090.93
	22,809.56	20,861.69
Less: Provision for Doubtful advances	3,171.91	3,090.93
	19,637.65	17,770.76
Interest accrued but not due on advances	904.05	339.69
Amount Due from Customers		
Work In progress	383,939.37	310,377.36
Less: Bills Raised	303,231.01	231,570.50
	80,708.36	78,806.86
MAT Credit Entitlement	-	130.98
Other Taxes Recoverable	4,328.38	2,719.63
TOTAL	105,578.44	99,767.92

#### Notes forming part of Financial Statements

NOTE 16: NON CURRENT FINANCIAL LIABILITIES: BORROWINGS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
UNSECURED LOANS		
Term Loan		
Rupee Loan		
- From Govt. of India	3,166.67	6,333.34
Less: Current Maturity of Term Loan (Refer Note: 23)	3,166.67	3,166.67
TOTAL	-	3,166.67

#### **Unsecured Term Loan:**

The Loan has been taken from DOT, Ministry of Communications & IT, Government of India. The sanctioned loan amount was Rs 95 Crores. An amount of Rs. 69 Crores was disbursed on 31/3/15 and Rs. 26 Crores was disbursed on 23/3/16. The interest rate is @ 11.50% p.a. and the repayment period of loan is 5 years including two years moratorium period.







# Notes forming part of Financial Statements

# NOTE 17: NON CURRENT FINANCIAL LIABILITIES: TRADE PAYABLES

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
a. Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
b. Total outstanding dues of Creditor other than Micro Enterprises and Small Enterprises	-	-
TOTAL	-	-

# Notes forming part of Financial Statements

# NOTE 18: NON CURRENT FINANCIAL LIABILITIES: OTHERS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
a. Lease obligation	599.51	599.53
b. Others	437.69	466.99
TOTAL	1,037.20	1,066.52

# Notes forming part of Financial Statements

# **NOTE 19: NON CURRENT PROVISIONS**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
a. Post Retirement Medical Benefits	912.03	886.96
b. Leave Salary Encashment	1,073.63	1,067.80
c. Others (Employee Benefits)	360.68	276.62
TOTAL	2,346.34	2,231.38



www.tcil-india.com 139

11/29/2019 8:32:47 PM



# Notes forming part of Financial Statements

# NOTE 20: DEFERRED TAX LIABILITIES / (ASSETS)

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liability:		
Related to Fixed Assets	1,454.49	1,711.37
Total	1,454.49	1,711.37
Deferred Tax Assets:		
Provision for Doubtful Debts	2,399.70	2,201.21
Provision for Doubtful Advances	1,108.39	1,071.25
Provision for Leave Encashment / Bonus	640.67	601.28
Provision for Loss allowances	446.10	-
Others	581.62	580.13
Total	5,176.48	4,453.87
Net Deferred Tax Liabilities / (Assets)	(3,721.99)	(2,742.50)

# Notes forming part of Financial Statements

FINAL FILE\_statement of account.indd 139

# **NOTE 21: CURRENT FINANCIAL LIABILITIES: BORROWINGS**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
a) SECURED LOANS		
- From Banks (Overdraft Secured against Receivables, Stocks and Bank term deposits)	8,173.53	2,006.30
b) UNSECURED LOANS		
Short Term Loan		
- Foreign Currency Loan from Banks	5,396.44	850.07
TOTAL	13,569.97	2,856.37





# Notes forming part of Financial Statements

# NOTE 22 : CURRENT FIANCIAL LIABILITIES: TRADE PAYABLES

(All amounts are in Rupees in Lakhs, unless otherwise stated)

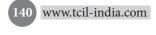
Particulars	As at March 31, 2019	As at March 31, 2018
a. Total outstanding dues of Micro Enterprises and Small Enterprises *	1,527.33	1,701.39
b. Total outstanding dues of Creditor other than Micro Enterprises and Small Enterprises	148,994.49	122,647.78
c. Due to Related Parties	219.85	227.62
TOTAL	150,741.67	124,576.79

# Micro, Small & Medium Enterprises Development act 2006 ('MSMED') disclosure

The dues to micro and small enterprises as required under the MSMED Act, 2006 based on the information available with the Company is given below:

Particular	As at March 31, 2019	As at March 31, 2018
(a) Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year :		
- Principal amount due to Micro and Small Enterprises	1,527.33	1,701.39
- Interest due on above	-	-
(b) Amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006		-
(d) Amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.		-

<sup>\*</sup> The Company identify supplier registered under The Micro, Small and Medium Enterprises Development Act 2006, by obtaining confirmation from all suppliers at time issue of tender. The information has been collated only to the extent information received.







# NOTE 23: CURRENT FINANCIAL LIABILITIES: OTHERS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
a. Currenct Maturity of Term Loan	3,166.67	3,166.67
b. Interest Accrued but not Due on Borrowings	13.06	-
c. Interest Accrued and Due on Borrowings	9.53	9.53
d. Others	50,032.59	36,618.84
TOTAL	53,221.85	39,795.04

# Notes forming part of Financial Statements

NOTE 24: OTHER CURRENT LIABILITIES

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
a. Advance from Customers	14,895.74	23,107.73
b. Other Payables ( Including Sales Tax , Service Tax and Others)	5,366.92	2,762.83
TOTAL	20,262.66	25,870.56

# Notes forming part of Financial Statements NOTE 25 : CURRENT PROVISIONS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
a. Provision for Warranty Period Expenses*	14,067.29	10,494.49
b. Employee Benefits	3,134.21	4,530.90
c. Others		
- Provision for Losses in Unfinished Projects	93.91	105.10
TOTAL	17,295.41	15,130.49

<sup>\*</sup> Provision for Warranty Period Expenses:

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	10,494.49	8,294.41
Add: Provided during the Year	4,361.47	3,738.76
Less: Withdrawn during the Year	(193.23)	(1,200.63)
Less: Utilized during the Year	(595.44)	(338.05)
Closing Balance	14,067.29	10,494.49







# NOTE 26: REVENUE FROM OPERATIONS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
I. Sale of Products	18,791.50	21,333.42
II. Sale of Services		
a) Turnkey Projects Completed	20,589.82	1,076.49
b) Accretion/Deccretion in work in progress		
Closing work in progress	383,939.37	310,377.36
Less: Opening Work in Progress and adjustment	310,377.36	246,149.97
	73,562.01	64,227.39
c) Maintenance / Service Contracts	42,155.91	33,395.34
	1 000 00	
d) Consultancy Projects	1,800.89	676.90
) Od. B.: 4	2.007.04	227.24
e) Other Projects	2,897.94	237.24
III. Other Operating Revenue		
-Interest on Advance from Sub-contractors	777.69	225.00
-Overheads recovered from Sub-contractors	5.33	11.06
- Sale of Tenders	3.48	2.30
- Provision for Warranty Period Expenses written back	193.23	1,200.63
- Empanelment Fees from Contractors	38.98	17.37
- Excess provision / liabilities written back	805.41	859.38
1		
TOTAL	161,622.19	123,262.52

www.tcil-india.com

FINAL FILE\_statement of account.indd 142



**NOTE 27: OTHER INCOME** 

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest (Gross)		
- Fixed Deposit	137.72	292.39
- Loans to employees	5.23	7.05
Other Non-Operating income		
- Dividend Received	7.20	2,047.20
- Others	415.28	469.70
Gain on foreign currency transactions	33.90	-
TOTAL	599.33	2,816.34

# Notes forming part of Financial Statements

NOTE 28 : COST OF MATERIALS CONSUMED

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
A. STORES & SPARES		
Opening Stock	1,101.28	788.40
Add: Purchases	4,550.87	9,035.98
Less: Closing Stock	1,520.76	1,101.28
Stores & Spares consumed	4,131.39	8,723.10
B. LOOSE TOOLS		
Opening Stock	_	-
Add: Purchases	5.43	14.40
Less: Closing Stock	_	-
Loose tools consumed	5.43	14.40
TOTAL (A + B)	4,136.82	8,737.50

# Notes forming part of Financial Statements

NOTE 29: CHANGE IN INVENTORIES OF STOCK IN TRADE

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Stock at Close	-	-
Stock at Commencement	-	-
(Increase) / Decrease in stock	-	-







# Notes forming part of Financial Statements

# NOTE 30: EMPLOYEE BENEFITS EXPENSE

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries (Including Foreign DA)	21,104.66	15,939.77
Leave Salary & Pension Contribution	12.78	8.14
Provident & Other Funds Contribution	1,280.93	1,103.60
Medical Reimbursement	730.36	647.99
Staff Welfare including Camp Expenses	355.98	353.84
Liveries	4.10	6.36
Performance Related Pay (PRP)	281.93	191.48
Bonus	8.62	8.61
Rent for Employee Accomodation:		
Gross:	939.58	662.74
Less: Recoveries	1.17	3.63
Leave Salary Encashment	452.67	350.54
Children Education Allowance	2.31	2.45
Perks	1,231.25	1,363.46
Leave Travel Concession	28.09	29.06
Gratuity	320.59	1,122.76
Employees Accident Group Insurance	2.91	3.00
PF Admin Charges	11.72	12.77
Retired. Employee Medical Scheme	70.81	55.13
TOTAL	26,838.12	21,858.07

# Notes forming part of Financial Statements

# **NOTE 31 : FINANCE COSTS**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest		
- Interest Expense on Term Loans	463.83	831.89
- Interest Expense on Overdrafts & Other Borrowings	899.94	61.66
Loss on foreign currency transactions	-	35.15
Amortisation Cost	65.95	65.95
TOTAL	1,429.72	994.65



#### Notes forming part of Financial Statements

NOTE 32 : ADMINISTRATIVE AND OTHER EXPENSES

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Rent	1,329.33	1,133.25
Rates and Taxes	1,505.81	1,304.23
Insurance	556.51	313.57
Bank & Guarantee Charges	385.19	268.96
Business Promision	76.56	108.29
Agency Commission & Sponser Fee	424.88	233.17
Legal & Professional Chares	229.09	160.97
Consultancy	276.65	376.15
Electricity & Water	241.09	217.51
Telephone, Telex & Postage	185.86	147.41
Printing & Stationery	174.40	119.02
Traveling	944.66	665.40
Advertisement	91.18	92.52
Books and Periodicals	2.16	1.98
Seminar & Training	87.54	25.26
Repairs & Maintenance		
- Plant & Machinery	158.81	183.14
- Building	118.53	83.79
- Others	56.33	144.87
Vehicle Running & Maintenance	527.72	394.99
Misc. Expenses	239.75	268.78
Auditors Remuneration		
- Audit Fee	50.25	46.56
- Taxation Matters	12.43	10.66
- Other Services Including Certification	2.50	2.50
- Reimbursement of expenses	0.17	0.98
Hiring Charges		
- Machinery	57.13	87.14
- Vehicles	539.89	488.02
Directors Sitting Fees	1.20	1.54
Provision for Warranty Period Expenses	4,361.47	3,738.76
Loss on Sale / Scrapping of Assets	122.36	95.97
Bad Debts/Advances Written off	161.86	154.91
Donation	0.92	0.50
Security & Maintenance	142.55	141.07
TOTAL	13,064.78	11,011.87







Telecommunications Consultants India Limited Annual Report 2018-19

#### Notes forming part of Financial Statements

**NOTE 33 : TAX EXPENSE** 

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Current Tax (Including tax effect in OCI)	2,658.27	1,251.85
Provision for Taxation for earlier years	(74.22)	34.48
Deferred Tax Charge	(952.83)	(353.45)
TOTAL.	1.631.22	932.88







Other notes forming part of financial statements for the year ended March 31, 2019 (All amounts are in Rupees in Lakhs, unless otherwise stated)

#### **34. FAIR VALUE MEASUREMENTS**

#### A. Financial assets and liabilities

The carrying amounts and fair values of financial instruments by class are as follows:

As at March 31, 2019	Fair value through profit & loss	Fair value through other com- prehensive income	Amortised cost
Financial Assets			
(i) Investments	772.24	-	18760.67
(ii) Trade receivables	-	-	153342.4
(iii) Cash and cash equivalents	-	-	12755.57
(iv) Other bank balances	-	-	323.51
(v) Loans	-	-	15482.74
(vi) Others financial assets	-	-	0.12
Total	772.24	-	200665.01
Financial Liabilities			
(i) Borrowings		-	16759.23
(ii) Trade payables		-	150741.67
(iii) Other financial liabilities		-	51069.79
Total	-	-	218570.69

As at March 31, 2018	Fair value through profit & loss	Fair value through other comprehensive income	Amortised cost
Financial Assets			
(i) Investments	772.24	-	18712.89
(ii) Trade receivables	-	-	110368.44
(iii) Cash and cash equivalents	-	1	16331.83
(iv) Other bank balances	-	-	338.18
(v) Loans	-	-	15467.26
(vi) Others financial assets	-	-	0.12
Total	772.24	-	161218.72
Financial Liabilities			
(i) Borrowings	-	-	9199.24
(ii) Trade payables	-	-	124576.79
(iii) Other financial liabilities	-	-	37685.36
Total	-	-	171461.39

<sup>\*</sup> Investment in subsidiaries are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.









#### Telecommunications Consultants India Limited Annual Report 2018-19

#### B Fair values hierarchy

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

#### The different levels of fair value have been defined below:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

#### B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2019	Level 1	Level 2	Level 3
Investments	772.24 -		18760.67
As at March 31, 2018	Level 1	Level 2	Level 3

Valuation process and technique used to determine fair value

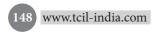
"In order to arrive at the fair value of unquoted investments, the Company obtains independent valuations. The techniques used by the valuer are as follows:

- a) Asset approach Net assets value method
- b) Income approach Discounted cash flows ("DCF") method
- c) Market approach Enterprise value/Sales multiple method

#### B.2 Fair value of instruments measured at amortised cost

Particulars	As at March 31, 2019		As at Marc	h 31, 2018
	Carrying value	Fair Value	Carrying value	Fair Value
Investment	2238.37	772.24	2238.37	772.24

The management assessed that fair value of cash and cash equivalents, trade receivables, security deposits, loan to related parties, other financial assets, short term borrowings, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.





#### 35. Financial risk management

#### Risk management framework

The Company's activities expose it to market risk, liquidity risk and credit risk. The management has the overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

#### A.Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

#### A.1 Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date

B: Moderate credit risk

C: High credit risk

The Company provides for expected credit loss based on the following:

Asset Company	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	12 month expected credit loss
Moderate credit risk	l .	Life time expected credit loss or 12 month expected credit loss
High credit risk	Trade receivables and other financial assets	Life time expected credit loss or fully provided for

In respect of trade receivables, the Company recognises a provision for lifetime expected credit losses

Credit rating	Particulars	As at March 31, 2019	As at March 31, 2018
A: Low credit risk	Cash and cash equivalents	12,755.57	16,331.83
	Other bank balances	323.51	338.18
	Loans	15,482.74	15,467.26
	Other financial assets	0.12	0.12
B: Medium credit risk	Trade receivables	153,342.40	110,368.44
C: High credit risk	Trade receivables	6,867.25	6,364.88

FINAL FILE\_statement of account.indd 149 (1)29/2019 8:32:48 PM



#### Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

#### Trade and other receivables

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. Where available at reasonable cost external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

The Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various industries and geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

Trade receivables are provided for or impaired on expected credit loss method and /or estimated irrecoverable amounts, determined by reference to past default experience in addition to specific provision made on identified customers. No interest is charged on trade receivables as at the reporting date.

#### Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes loans and advances to related parties and employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

#### A.2 Expected credit losses for financial assets other than trade receivables

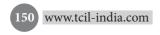
The company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein company has defined percentage of provision by analysing historical trend of default based on the criteria defined above and such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables (other than those where default criteria are met).

#### As at March 31, 2019

Particulars	Estimated gross carrying amount at default	Expected probabili- ty of default	Expected credit losses	Carrying amount net of impairment provision
Trade Receivable	160,209.65	4.29%	6,867.25	153,342.40
Cash and cash equivalents	12,755.57	0.00%	-	12,755.57
Other bank balances	323.51	0.00%	-	323.51
Loans	16,759.35	7.62%	1,276.61	15,482.74
Other financial assets	0.12	0.00%	-	0.12

#### As at March 31, 2018

Particulars	Estimated gross carrying amount at default	Expected probabili- ty of default	Expected credit losses	Carrying amount net of impairment provision
Trade Receivable	116,733.32	5.45%	6,364.88	110,368.44
Cash and cash equivalents	16,331.83	0.00%	-	16,331.83
Other bank balances	338.18	0.00%	-	338.18
Loans	15,467.26	0.00%	-	15,467.26
Other financial asset	0.12	0.00%	-	0.12





Reconciliation of loss allowance		
Loss allowance on 31 March 2018	6,364.88	
Impairment loss recognised/(reversed) during the year	609.11	
Amounts written off	106.74	
Loss allowance on 31 March 2019	6,867.25	

#### B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly.

#### Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of reporting period:

Floating rate	As at March 31, 2019	As at March 31, 2018
Expiring within one year (cash credit and other facilities)	9,603.56	6,649.92

Management monitors rolling forecasts of the liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.









#### **B.1** Contractual Maturities of financial liabilities

The tables below analyse the Company's financial liabilities based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

March 31, 2019	Less than 1 year	1 - 2 years	2-3 years	3-5 years	More than 5 years	Total
(i) Borrowings	16,759.23	-	-	-	-	16,759.23
(ii) Trade payables	150,741.67	-	-	-	-	150,741.67
(iii) Other financial liabilities	50,032.61	164.45	0.02	0.06	872.65	51,069.79
Total	217,533.51	164.45	0.02	0.06	872.65	218,570.69
March 31, 2018	Less than 1 year	1 - 2 years	2-3 years	3-5 years	More than 5 years	Total
March 31, 2018  (i) Borrowings	Less than 1 year 3,317.79					<b>Total</b> 6,581.72
		years	years			
(i) Borrowings	3,317.79	years	years		5 years	6,581.72

#### C. Market risk

#### (I) Interest Rate risk

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2019, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. Other borrowings are at fixed interest rates.

Company's exposure to interest rate risk on borrowings is as follows

Particulars	As at March 31, 2019	As at March 31, 2018
Variable rate	13,569.97	2,856.37
Fixed rate	3,166.67	6,333.33
Total	16,736.64	9,189.70

The following table illustrates the sensitivity of profit and loss to a possible change in interest rates. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates.



Interest sensitivity*	As at March 31, 2019	As at March 31, 2018
Interest rates - increase by 100 basis points (31 March 2019: 100 basis points)	(88.28)	(18.68)
Interest rates - decrease by 100 basis points (31 March 2019: 100 basis points)	88.28	18.68

<sup>\*</sup> Holding all other variables constant

#### Foreign currency risk

Forex exposure	As at March 31, 2019		As at March 31, 2018	
Financial assets	Foreign Currency Amount	INR	Foreign Currency Amount	INR
Bank current account/call deposit				
USD	18,864.81	13.05	23,859.54	15.53
GBP	77.49	0.07	77.42	0.07
EURO	5,274.86	4.10	5,365.54	4.29
Financial liabilities				
Trade payables				
USD	3,205,066.76	2,217.98	3,800,974.76	2,473.29
Loans (Banks)				
USD	7,798,042.20	5,396.44	1,307,288.73	850.65
Net exposure				
USD	(10,984,244.15)	(7,601.37)	(5,084,403.95)	(3,308.42)
GBP	77.49	0.07	77.42	0.07
EURO	5,274.86	4.10	5,365.54	4.29



Telecommunications Consultants India Limited Annual Report 2018-19

The following signifiant exchange rates have been applied

	Year end	spot rate
	As at March 31, 2019	As at March 31, 2018
USD GBP EURO	69.20 90.488 77.69	65.07 91.265 80.04

Sensitivity analysis of change in foreign currency rates on profit/(loss) after tax

Currency		r the year Obps	Profit for the year -200bps	
	As at As at March 31, 2019 2018		As at March 31, 2019	As at March 31, 2018
USD	(98.90)	(43.27)	98.90	43.27

Currency	Profit for the year +1000bps		Profit for the year -1000bps	
	As at As at March 31, 2019 2018		As at March 31, 2019	As at March 31, 2018
GBP	0.0046	0.0046	(0.0046)	(0.0046)

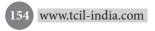
Currency	Profit for the year +1000bps			or the year 000bps
	As at As at March 31, 2019 2018		As at March 31, 2019	As at March 31, 2018
EURO	0.27	0.28	(0.27)	(0.28)

#### 36. Capital management policies

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity plus its subordinated loan, less cash and cash equivalents as presented on the face of the statement of financial position recognised in other comprehensive income.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The amounts managed as capital by the Company are summarised as follows:









Particulars	As at March 31, 2019	As at March 31, 2018
Non Current Borrowings	3,176.20	6,342.87
Current Borrowings	13,583.03	2,856.37
Cash and cash equivalents	(12,755.57)	(16,331.83)
Net debt	4,003.66	(7,132.59)
Total equity	62,708.57	61,790.14
Net debt to equity ratio	0.064	-

Reconciliation of liabilities arising out of financing activities

#### A. Net debt reconciliation

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents	12,755.57	16,331.83
Add: Liquid investments	-	-
Less: Current borrowings	13,583.03	2,856.37
Less: Non-current borrowings	3,176.20	6,342.87
Net Debt	4,003.66	(7,132.59)

#### B. Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

Particulars	Long term borrowings	Short term borrowings	Cash & cash equivalents	Total
Net debt as at 1 April 2018	6,342.87	2,856.37	16,331.83	(7,132.59)
Cash movement:				-
- Proceeds	-	10,726.66	-	10,726.66
- Repayment	(3,166.67)	-	-	(3,166.67)
- Interest paid	(463.83)	(899.94)	-	(1,363.77)
- Movement in cash and bank	-	-	(3,576.26)	3,576.26
Other non-cash movements - Gain on restructuring of debt	-	-	-	-
- Interest expenses	463.83	899.94	-	1,363.77
Net debt as at 31 March 2019	3,176.20	13,583.03	12,755.57	4,003.66





#### Dividends

Particulars	Amount
Final dividend paid in the year 2017-18	708.22
Final dividend paid in the year 2018-19	1,843.25

#### 37. CONTINGENT LIABILITIES

Particulars	As on March 31,2019	As on March 31,2018
Income Tax matters not acknowledged as debts [see (i) below]	1,888.07	1,674.59
Sales Tax matters not acknowledged as debts [see(ii) below]	130.57	19.38
Service Tax matters not acknowledged as debts [see(iii) below]	5,408.41	-
Disputed Claims not acknowledged as debts [see(iv) below]	23,994.60	27,225.40
Liabilities on Terminated packages	824.00	824.00

#### (i) Income Tax Matters

Provisions have been made for the current Income Tax as per the provisions of Tax laws prevailing in India and abroad and are based on the decision of the Appellate Authorities. The assessment of the company u/s 143(3) of Income Tax Act, 1961 has been completed up to AY 2016-17. However, no provision is considered necessary in respect of issues, which are subject matter of appeals, filed with Appellate Authorities (either by the company or by the revenue department).

#### (ii) Sales Tax

A demand has been raised by Uttarakhand Trade Tax Department for the Assessment Year 2002-03, 2003-04, 2005-06 and 2006-07 which has not been acknowledged by the Company as debt in view of Judgment of Uttarakhand High Court for the Year 1997-98 to 2001-02 in favour of the Company. The Company is in appeal against the said demand with Appellate Authority (Rs.19.38 Lakhs)

A demand has been raised by Commercial Tax Department, Jabalpur for FY 2014-15 & FY 2015-16. The company is in appeal against said demand with appellate Authority (Rs.111.19 Lakhs).

#### (iii) Service Tax

During the year, the Company filed writ petition in the Hon'ble Delhi High Court, against the applicability of Service Tax on M/s BSNL in NSF-OFC project. Office of Commissioner of CGST (Audit), New Delhi has raised an observation demanding Rs.5,408.41 Lakhs as service tax liability on services provided to M/s BSNL in the said project. The Hon'ble Delhi High Court has stayed against the recovery of the demand pending disposal of the writ petition.

#### (iv) Disputed Claims

No provision has been made for disputed claims and interest thereon, which are in the course of adjudication either before any court of law or under any arbitrator as the Company has not acknowledged these claims as debts. Similarly, counter claims filed by the Company as on March 31, 2019 amounting to Rs 4,805.61 Lakhs (As on March 31, 2018 - Rs 6,344.53 Lakhs) has also not been accounted for.

It is not practically possible to disclose the uncertainties relating to any outflow.





#### 38. Details of Guarantees given

Particulars	As on March 31,2019	As on March 31,2018
Bank Guarantees Outstanding	70,795.01	47,793.23
Bank Guarantees Expired	5,040.46	5,666.75
Bank Guarantees given on behalf of TTL	409.88	432.90
Corporate Guarantees Expired	318.87	318.87

#### 39. Details of Letters of Credit Issued

Particulars	As on March 31,2019	As on March 31,2018
Letters of Credit Outstanding	7,150.74	7,630.51

#### 40. Capital and Other Commitments

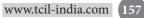
FINAL FILE\_statement of account.indd 157

Estimated amount of contracts remaining to be executed on Capital Account and not provided for as on March 31, 2019 amounting to NIL (As on March 31, 2018 - Nil).

#### 41. Details of Foreign Currency Exposure

#### (i) Amount payable in Foreign Currency (Unhedged) on account of the following:-

	As on 31st March 2019		As on 31st March 2018	
Particulars	Indian Rupees	Foreign Currency	Indian Rupees	Foreign Currency
a) Import Creditors				
NTRO	-	-	46.85	USD 72,000
DSPT	1,836.14	USD 26,53,287.50	1,726.49	USD 26,53,287.50
PGCIL	91.06	USD 1,31,581.38	85.62	USD 1,31,581.38
DGLL	49.08	USD 70,925.88	46.15	USD 70,925.88
NAVY	241.70	USD 3,49,272.00	568.18	USD 8,73,180
b). Unsecured Loans (Banks)	5,396.44	USD 77,98,042.20	850.65	USD 13,07,288.73





11/29/2019 8:32:48 PM





#### (ii) Amount receivable in Foreign Currency (Unhedged) on account of the Following:

Denti and an	As on 31st March 2019		As on 31st March 2018	
Particulars	Indian Rupees	Foreign Currency	<b>Indian Rupees</b>	Foreign Currency
Export Debtors	NIL	NIL	NIL	NIL
Call Deposit / Current Account with Banks	13.05	USD18,864.81	15.53	USD 23,859.54
	0.07	GBP 77.49	0.07	GBP 77.42
	4.10	EUR 5274.86	4.29	EUR 5,365.54

(iii) Overseas Projects/Branches: Project periods typically range from 1 to 3 years. Payables/Receivables being in the same currency, unhedged portion represents surplus to be repatriated to India after the completion of the project.

#### 42. A)Income / Expenditure in Foreign Currency

Description	Year Ended March 31, 2019	Year Ended March 31, 2018
Inflow		
Amount repatriated from Foreign Projects	6,150.33	2,269.61
Expenditure		
Import on CIF Basis (Traded Goods)	NIL	1,893.93
Contractual Payments	366.31	84.49
Others	134.21	91.70

#### B) Consumption of imported and indigenous materials consumed:

Item	Year Ended March 31, 2019		Year Ended March 31, 2018	
	Amount % of total consumption		Amount	% of total consumption
a) Imports:				
Stores & Spares	-		-	-
Loose Tools	-		-	-
b) Indigenous:				
Stores & Spares	4,131.39	99.87	8,723.10	99.83
Loose Tools	5.43	0.13	14.40	0.17
TOTAL	4,136.82	100.00	8,737.50	100.00





#### C) In compliance of Ind AS 21, the company has following Functional & Presentation currency

Division	Functional Currency	Presentation Currency
TCIL	INR	INR
TCIL- Mauritius	MUR	INR
TCIL – Kuwait	KD	INR
TCIL – KSA	SAR	INR
TCIL – Oman	OR	INR
TCIL – Sierra Leone	SLL	INR
TCIL – Algeria	DZD	INR
TCIL – Ethiopia	ETB	INR
TCIL – Botswana	BWP	INR
TCIL – Nepal	Nepalese Rupee	INR
TCIL – Bhutan	NU	INR
TCIL – UAE	AED	INR
TCIL – Qatar	QAR	INR
TCIL – Sri Lanka	LKR	INR
TCIL - Macedonia	MKD	INR

#### 43. Corporate Social Responsibility

In view of Companies (Corporate Social Responsibility Policy) Rules, 2014, the company does not have 'Net Profits' in terms of Rule 2(f) as defined in these rules and thus the company is not liable for undertaking CSR expenditure under section 135 of the Companies Act, 2013. However the company has incurred an expenditure of Rs 64.08 Lakhs on CSR activities during the year. Out of this an amount of Rs 52.67 Lakhs has been incurred in India as per DPE Guidelines and Rs 11.41 Lakhs in Mauritius as per the local law requirement of Mauritius.

Disclosures pertaining to the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities issued by ICAI.

a) Breakup of various heads of expenses included in CSR expenditure:

S.No	Name of the Organization	Project Details	Year Ended March 31, 2019	Year Ended March 31, 2018
1	Swachh Bharat Kosh	Contribution to Swachh Bharat Kosh	-	23.00
2	Clean Ganga Fund	Contribution to Clean Ganga Fund	3.63	23.00
3	Telecom Sector Skill Council	Skill development through Telecom Sector Skill Council	25.38	27.44
4	5 School in UP. Implementing agency is TCIL.	Tele-education Network for delivering education in under developed regions	2.10	10.58
5	Jal Nigam Ghazipur, Uttar Pradesh	Installation of Solar Lights and Hand- pumps in Ghazipur, Uttar Pradesh	16.79	33.03
6	CSR Overhead Expenditure		4.77	4.50
7	CSR Expenditure in Mauritius as per their local law.		11.41	13.28
	GRAND TOTAL		64.08	134.83







- b) Additional disclosure i respect of CSR expenditure.
  - i) Gross amount spent by the company during the year ended is Rs 64.08 Lakhs (P.Y Rs 134.83 Lakhs).
  - ii) Details of amount spent during the year:

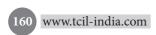
Particulars	Year Ended March 31, 2019		Year Ended March 31, 2018			
	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
i) Construction/ Acquisition of any Asset	-	-	-	-	-	-
ii) On purpose other than (i) above	64.08		64.08	134.83	-	134.83
TOTAL	64.08		64.08	134.83	-	134.83

- 44. Balances of Debtors and Creditors including BSNL, MTNL, MPRRDA, PGCIL and Others are subject to confirma tion and reconciliation.
- 45. There are no amounts due from whole time Directors, Company Secretary including Chairman & Managing Director of the Company as on March 31, 2019 Nil (Previous Year- Nil).
- 46. A) Employee Benefit Expenses include remuneration paid to whole time Directors including Chairman & Managing Director: -

Description	Year Ended March 31, 2019	Year Ended March 31, 2018
Salaries and Allowances	189.89	149.83
Provident Fund Contribution	12.39	9.43
Medical Reimbursement	0.89	7.79

- B) Chairman & Managing Director and Whole time Directors are also covered under Group Gratuity-cum-Life Assurance Scheme and Group Personal Accident Insurance Scheme for which premium of Rs.3.67 Lakhs (previous year Rs 3.69 Lakhs) has been paid by the Company as applicable under Rules of the Company.
- 47. (a) In Kuwait, transactions including purchase of assets in connection with the contracts have been carried out in the name of Agents/JV companies. The written down value (WDV) of Fixed Assets in the name of Agents/JV companies as of March 31, 2019 amounts to Rs 213.23 Lakhs (As on March 31, 2018 Rs 212.66 Lakhs).
  - (b) The company has undertaken three projects on Built- Operate- Transfer (BOT) basis as per the Concession Agreement with the government authorities. Of the three, two are being operated through separate SPV's. Under the agreements, concession periods for toll collection or annuity payments range from 13 to 26 years. At the end of the said concession period, the entire facilities are to be transferred to the concerned government authorities.
  - (c) The Company is executing the Project for Supply, Installation and Maintenance services of Hardware, Peripheral devices, operating system and connectivity for rural information & communication Technology (ICT) Solution for Department of Posts (DOP), Govt. of India. The payment by DOP to the Company is linked to milestones. The Unbilled debtors as on 31.03.2019 include Rs. 24,185 Lakhs (Previous year Rs 21,998 Lakhs) in respect of this project due to payment milestones.
- 48. Investments in ventures in India and outside India are classified as long term investments and are valued as per Accounting Policy No.1.9. During the year, the company has received dividend of Rs 7.20 Lakhs from Joint Venture Companies.

11/29/2019 8:32:48 PM









- 49. The company is planning to introduce Defined Contribution Superannuation Pension Scheme for its regular employee's w.e.f. 01-04-2014. The company shall be contributing 5% of salary (Basic and Dearness Allowance) towards employer contribution. The company made provision upto 2017-18 for Rs. 996.33 Lakhs. Further provision of Rs 200 Lakhs has made during F.Y. 2018-19
- 50. The company made provision for all Regular CDA employees towards the 7th Pay Revision upto 2017-18 for Rs. 43.07 Lakhs. Further provision of Rs 14.13 Lakhs has made during Financial Year 2018-19.
- 51. During the year, the company has written back an amount of Rs 805.41 Lakhs (Previous Year Rs 859.38 Lakhs) towards liabilities / provisions made in earlier years, which are no longer required.
- 52. (a) Tamil Nadu Telecommunications Ltd (TTL), a subsidiary company is a sick company referred to ers while BIFR, and is under rehabitation, and there is no certainty of realization of interest on amounts owed by them to the company. As such, the company has not recognized interest for the year amounting to Rs. 133.21 Lakhs (Previous Year Rs 133.19 Lakhs), Cumulative upto 31-03-2019: Rs. 552.87 Lakhs, on loan and interest of Rs 753.03 Lakhs (Previous Year Rs 702.48 Lakhs), Cumulative upto 31-03-2019: Rs. 2,756.34 Lakhs, on other outstanding, in compliance with Ind AS. The company has outstanding loan of Rs. 7,574.04 Lakhs recoverable from TTL, (A Subsidiary) which is secured by first charge on all the assets of the subsidiary company. The current realizable value of the assets charged in favour of the company is more than the amount outstanding and as such no impairment provision is considered necessary.
  - (b) The company has given subordinated unsecured loan to its wholly owned subsidiary TCIL Bina Toll Road Limited (TBTRL) amounting to Rs 7,881.09 Lakhs. As the subsidiary company is operating project with long gestation period and is not generating sufficient cash surplus to pay interest on loan owed by it to the company, the company has decided not to recognise interest w.e.f.1st April 2017 till the time the recovery becomes certain. The interest for the year amounts to Rs 631.00 Lakhs (Previous Year Rs. 634.08 Lakhs). The accumulated losses of the subsidiary company have exceeded its Net Worth and the same has turned negative. The Company has worked out the future estimated cash flows based on certain parameters, and the surplus funds available to service the loan of the company. The Net Present Value (NPV) of such surplus funds has been considered good and for the balance loan outstanding the impairment provision amounting to Rs1,276.61 Lakhs has been made in the accounts.
  - The company has given subordinated unsecured loan to its wholly owned subsidiary TCIL Lakhnadone Toll Road Limited (TLTRL) amounting to Rs 3,706.83 Lakhs. As the subsidiary company is operating project with long gestation period and is not generating sufficient cash surplus to pay interest on loan owed by it to the company, the company has decided not to recognise interest w.e.f.1st April 2017 till the time the recovery becomes certain. The interest for the year amounts to Rs 307.08 Lakhs (Previous Year Rs. 271.96 Lakhs). The Company has worked out the future estimated cash flows based on certain parameters, and worked out the surplus funds available to service the loan of the company. The Net Present Value of such surplus funds is more than the loan outstanding and as such no provision is considered necessary

#### 53. Disclosure as per IndAS-19

#### **Employee Benefits:**

#### a) Provident Fund

The Company contributes fixed percentage of basic pay every month to the Provident Fund, created under Indian Provident Fund Act 1976. The fund is managed by a separate trust, which invests the funds in permitted securities. The contribution to the fund for the period is recognized as expense and is charged to Profit and Loss Account. The obligation of the company is limited to such fixed contribution. However, the Trust is required to pay a minimum rate of interest on contribution to the members as prescribed by the said Act. The fair value of assets of the Fund including the returns on the assets thereof, as on the Balance Sheet date is greater than the obligations under the defined benefit plan. The total contribution of the company during the year is Rs 1,280.93 Lakhs (Previous year Rs 1,103.60 Lakhs).

#### b) Gratuity

The Company has a defined Gratuity Plan. Every employee who has rendered continuous service of five years or more is entitled to get Gratuity of 15 days salary for each completed year of service subject to a maximum of Rs 20 Lakhs on superannuation, resignation, termination, and disablement or on death. The scheme is funded by Company and is managed





actuarial valuation using the Projected Unit Credit Method.



by Trust namely "Telecommunications Consultants Employees Group Gratuity Trust" which has taken a Group Gratuity-cum-Life Assurance Policy from Life Insurance Corporation of India. The present value of obligation is determined based on

The actual liability based on the actuarial valuation done by LIC and the demand raised by them is Rs 452 lakhs which has been charged to statement of Profit & loss. Hence the total provision made in accounts is Rs 452 Lakhs (Previous year Rs 1,428.69 lakhs).

#### c) Leave Encashment

The Company has Leave Encashment facility up to 300 days (Earned Leave plus Half Pay Leave) at the time of superannuation/ retirement during the year. During the year company had actually paid an amount of Rs 431.72 Lakhs and as per actuarial valuation the expenses to be recognized in profit & loss account is Rs 452.67 Lakhs. Based on Actuarial Valuation, the present value of obligation towards leave encashment as on 31-3-2019 is Rs 1,754.07 Lakhs.

However the company is having a provision of Rs 1820.79 Lakhs as on 31.03.2019. The excess amount (Rs 1,820.79 - Rs 1,754.07) i.e. Rs 66.72 Lakhs is due to excess provision made in earlier years. Management has decided not to withdraw the excess provision due to requirements, if any, in future.

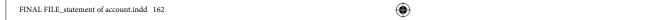
#### d) Post Retirement Medical Scheme

The Company has a medical scheme for retired employees (who opted for company scheme) as per Accounting Policy No 1.20(ii). The company has provided liability on this account on the basis of actuarial valuation.

The status of Gratuity (Funded), Leave Encashment and Post Retirement Medical Scheme based on actuarial valuation are as follows:

S. No.	Particulars	Gratuity	Leave Encashment	Post Retirement Medical Scheme
		(Funded)	(Unfunded)	(Unfunded)
	Discount rate FY 17-18	7.50%	7.50%	7.50%
	Salary increase rate FY 17-18	3.00%	3.00%	3.00%
	Discount rate FY 18-19	7.50%	7.50%	7.50%
	Salary increase rate FY 18-19	3.00%	3.00%	3.00%
1	Change in present value of obligations			
	Present value of obligations as at 01.04.2018	3,394.21	1,665.67	944.12
	Interest cost	254.57	124.92	70.81
	Current service cost	190.20	327.75	-
	Benefits paid	(454.45)	(431.72)	(36.81)
	Actuarial (gain)/loss on obligations	184.24	67.45	(24.33)
	Present value of obligations as at 31.03.2019	3,568.76	1,754.07	953.79
2	Changes in the fair value of plan assets			
	Fair value of plan assets as at 01.04.2018	2,307.67	-	-
	Expected return on plan assets	173.08	-	-
	Contribution	1,255.43	-	-
	Benefits paid	(454.45)	-	-
	Actuarial gain/(loss) on plan assets	0.00	-	-
	Return on plan assets excluding interest income	52.83		
	Fair value of plan assets as at 31.03.2019	3,334.56	-	-











3	Fair value of plan assets			
	Fair value of plan assets as at 01.04.2018	2,307.67	-	-
	Actual return on plan assets	173.08	-	-
	Contributions	1,255.43	-	-
	Benefits paid	(454.45)	-	-
	Return on plan assets excluding interest income	52.83		
	Fair value of plan assets as at 31.03.2019	3,334.56	-	-
	Funded / (Unfunded) status	(234.20)	(1,754.07)	(953.79)
4	Actuarial gain /loss recognized			
	Actuarial (gain)/Loss as on 01.04.2018	-	-	-
	Return on Plan assets other than amounts included in net interest cost	(52.83)	-	-
	Actuarial (gain)/Loss on obligations	-	67.45	(24.33)
	Actuarial (gain)/Loss due to Experience Variance	184.24	-	-
	Actuarial (gain)/Loss recognized as on 31.03.2019	131.41	67.45	(24.33)
5	Amounts to be recognized in the Balance sheet and Statement of Profit & Loss			
	Present value of obligations as at 31.03.2019	3,568.76	1,754.07	953.79
	Fair value of plan assets as at 31.03.2019	33,34.56	-	-
	Funded status	(234.20)	-	-
	Net assets/ (liability) recognized in balance sheet	(234.20)	(1,754.07)	(953.79)
6	Expenses recognized in the Statement of Profit & Loss			
	Current service cost	190.20	327.75	-
	Interest cost	254.57	124.93	70.81
	Expected return on plan assets	(173.08)	-	-
	Net actuarial (gain)/loss recognized in the year	131.40	67.45	(24.33)
	Expenses recognized in the Statement of Profit & Loss	403.09	520.12	46.48
7	Break-up of Actuarial gain/loss			
	Actuarial (gain)/loss on arising from change in demographic assumption	-	-	-
	Actuarial (gain)/loss on arising from change in financial assumption	-	-	-
	Actuarial (gain)/loss on arising from experience adjustment	131.40	67.45	(24.33)
8	Maturity profile of Defined Benefit Obligation			
	1st Year	79.71	54.38	35.76
	2nd Year	750.28	517.10	33.35
	3rd Year	426.05	276.32	34.33
	4th Year	386.71	261.36	35.64
	5th Year	253.96	147.50	36.24
	6th Year to 10th Year	1,452.75	898.29	123.96
	Over 10 year	1,786.64	1,421.80	332.82

**(** 

www.tcil-india.com 163

**(** 



#### 54. Segment Reporting

The company's operating segments are organized and managed separately through the respective directors, executive directors and group general managers, according to the nature of products and services provided with each segment representing a strategic business unit. These business units are reviewed by respective directors of the company.

The amounts reported to directors are based on the accounting principles used in the preparation of financial statements as per IndAS. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss from operating activities before exceptional items. Accordingly, finance costs / income, non-operative expenses and exceptional items are not allocated to individual segment.

Inter segment pricing and terms are reviewed and changed by the management to reflect changes in market conditions and changes to such terms are reflected in the period change occurs.

Segment assets comprise assets directly managed by each segment and primarily include receivables, property, plant and equipment, capital work-in-progress, intangible assets, intangible assets under development, inventories, cash and cash equivalents, inter-segment assets. Segment liabilities primarily include operating liabilities. Segment capital expenditure comprises additions to property, plant and equipment and intangible assets.

The segment composition is identified as under: -

- Telecommunications Projects
- Civil /Infrastructure Projects
- Consultancy and Service Contracts
- Trading Activities.
- Other Operating Revenue.

Segments Revenue, Results, Assets and Liabilities include amounts identified to each segment. Other un-allocable Expenditure includes Revenue and Expenses which are not directly identifiable to the individual segments.





$\neg$	

(i) Operating Segment Information:	Company's segment information pursuant to IndAS-108 on 'Operating Segment' issued by the Institute of	Chartered Accountants of India as at and for the year ended 31st March, 2019 is as follows:-
------------------------------------	---	--

**(** 

	icica incominanto di mana a	o at all a lot	) cm curaci	or trianch, 2017	is as rone is										
	Particulars	Telecomm Proj	Telecommunications Projects	Civil /Infrastructure Projects	astructure ects	Consultancy and Service contracts	Consultancy and Service contracts	Trading activities	ctivities	Other Operating Revenue	oerating nue	Unallocable	ocable	TOTAL	[AL
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
1	A. SEGMENT REVE- NUE														
	External Turnover	65,411.88	45,479.79	28,739.94	19,824.09	46,854.74	34,309.48	18,791.49	21,333.42	1,824.14	2,315.74		-	161,622.19	123,262.52
	Inter Segment Turnover		-		-		-	-	-				-		1
	Total	65,411.88	45,479.79	28,739.94	19,824.09	46,854.74	34,309.48	18,791.49	21,333.42	1,824.14	2,315.74		1	161,622.19	123,262.52
2	Segment Result before Interest, Taxes and Other Adjustments	15,514.19	11,686.66	713.75	408.98	5,027.39	7,068.09	1330.67	2637.25	1,824.14	2,315.74	(3,822.77)	(8,873.92)	20,587.37	15,242.80
	Less: Interest Expense	173.58	517.12	•	-	67.31	3.24	-	-	-	-	1,188.83	474.29	1,429.72	994.65
	Add: Interest Income	0.82	1.44	7.99	19.39	0.01	3.10	-	-	-	-	134.13	275.51	142.95	299.44
	Add: Prior period income (net)				-				-		-		-		1
	Add: Other Income/ (Expenses)	(4,608.45)	(3,315.31)	(391.22)	(622.65)	(477.30)	(1,914.58)	(106.76)	-		-	(7,024.67)	(4,689.66)	(12,608.40)	(10,542.20)
	Add: Exceptional Item		1				-				-				-
	Profit before tax	10,732.98	8,889.91	330.52	-194.28	4,482.79	5,159.85	1,223.91	2,637.25	1,824.14	2,315.74	(11,902.14)	(12,813.78)	6,692.20	5,994.69
	Current tax		1			1	1		1			3,255.12	1,740.00	3,255.12	1,740.00
	Fringe Benefit Tax		,		-		'		'				1	•	1
	Deferred Tax		1		-	•	1	•	'			(952.83)	(353.45)	(952.83)	(353.45)
	Profit after tax	10,732.98	8,889.91	330.52	(194.28)	4,482.79	5,159.85	1,223.91	2,637.25	1,824.14	2,315.74	(14,204.43)	(14,200.33)	4,389.91	4,608.14
	Other Comprehensive Income		,	,	-	,	'		'	,	'	(1,249.34)	(857.19)	(1,249.34)	(857.19)
	Total Comprehensive Income net of Tax	10,732.98	8,889.91	330.52	(194.28)	4,482.79	5,159.85	1,223.91	2,637.25	1,824.14	2,315.74	(15,453.77)	(15,057.52)	3,140.57	3,750.95
3	Other Information														
	Segment Assets	128,867.17	114,836.85	30,525.52	33,624.45	52,696.07	40,136.57	26,138.53	19,007.17		693.60	82,956.37	68,185.32	321,183.67	276,483.96
	Segment Liabilities	88,386.70	78,609.84	39,047.67	42,557.22	53,729.11	40,229.72	26,133.68	20,135.01		996.44	51,177.94	32,165.59	258,475.10	214,693.82
	Capital Expenditure	70.61	58.61	7.80	21.76	59.85	23.20	0.00	2.53		-	57.64	188.80	195.90	294.90
	Depreciation	169.24	145.64	75.86	218.54	808.85	626.53	0.80	0.55	69.0	1	294.18	321.79	1,349.62	1,313.05
Note	*o														

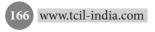
(i) Capital Expenditure pertains to gross additions made to Fixed Assets during the year(ii) Segment assets include Fixed Assets, Capital Work in progress, current assets and Loans and Advances(iii) Segment liabilities include Secured Loans, Unsecured loans, Current Liabilities and Provisions(iv) The figures for International operations are also included in above.

Statement of Accounts





(11) G	eographical Segment Information:	(Rs ir	Lakhs)
	Particulars	2018-19	2017-18
	egment Revenue - External Turnover		
-	Within India	99,669.68	84,974.5
-	Outside India		
	KSA	45,827.80	22,684.1
_	Others	16,124.71	15,603.8
7	Total Revenue	161,622.19	123,262.5
2. S	Segment Assets		
-	Within India	267,900.49	236,121.1
-	Outside India		
	KSA	39,676.71	20,019.4
	Others	13,606.46	20,343.3
7	Total Assets	321,183.67	276,483.9
3. S	Segment Liability		
-	Within India	224,144.52	189,965.4
	Outside India		
	Others	34,330.58	24,728.3
7	Total Liability	258,475.10	214,693.8
	2 4 12 14		
4. (	Capital Expenditure		
-	Within India	84.25	40.1
	Outside India		
_	KSA	25.50	146.2
	Kuwait	60.30	87.6
_	Others	25.85	20.8
1	Total Expenditure	195.90	294.9





# 55. Disclosure pursuant to IndAS-24 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India

#### A. Key Management Personnel:

#### (i) Chairman & Managing Director

Sh. A.Seshagiri Rao (additional charge of Director (Technical) from 01.02.2018 to 31.07.2018)

#### **Wholetime Directors**

- Sh. Narendra Jain, Director (Finance)
- Sh. Kamendra Kumar, Director (Technical) from 01.08.2018
- Sh. Rajiv Gupta, Director (Projects)

#### (ii) Company Secretary

Sh. A V V Krishnan

#### **B.** Subsidairy Companies

Tamil Nadu Telecommunications Ltd (TTL)

TCIL Oman LLC

TCIL Bina Toll Road Limited (TBTRL)

TCIL Lakhnadone Toll Road Limited (TLTRL)

TCIL USA Inc.

#### C. Associate Companies/ Joint Venture Companies

TBL International Limited (TBL)

Bharti Hexacom Limited (BHL)

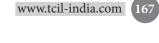
United Telecom Limited (UTL)

Telecommunications Consultants Nigeria Limited (TCNL)

Intelligent Communication Systems India Limited (ICSIL)









# Statement of Accounts

(Rs in Lakhs)	tal	Year ending 2017-18		80.00	<u>'</u>		16.10	189.61	'	'	'		2,047.20	18,148.06	Ш	227.62	<u>'</u>	432.90	1	
(Rs in	Total	Year ending 2018-19						250.95					7.20	19,226.16		219.85		409.88		
	lgmt. nnel ding tive	Year end- ing 2017- 18			Ċ	-		19.681					'	'		'		ı .		
	Key Mgmt. Personnel including relative	Year ending 2018- 19						250.95												
	Joint Venture/ Subsidairy Cos.	Year ending 2017-18		80.00	-	-	16.10		İ	' '	1 1	'	2,047.20	-18,148.06	Ш	227.62		432.90	·	,
	Joint V Subsi C	Year ending 2018-19											7.20	- 19,226.16		219.85		409.88		
	TCIL USA Inc.	Year ending 2017- 18		ľ	·	ľ		,		,	ľ		Ċ	,		'		,	,	<u> </u>
	TCII	Year end- ing 2018- 19							Ш											
	TCNL	Year end- ing . 2017- 18			•			·		ľ			·					·		
	Ĭ	Year end- ing - 2018- 19				Ļ	-		Ш					9		_		-		<u> </u>
	TCIL OMAN LLC	r Year end- ing - 2017- 18												35 0.36						
		Year end- g ing 2018- 19		Ļ	·	Ļ	<u> </u>		$\prod$	1	ļ.,			15 0.85		1	-		1	
	TCIL LAKHNA- DONE TOLL ROAD LTD	Year ending 2017- 18												3,476.15						
	LAK DO TO ROA	Year ending 2018- 19												3,706.83						
	TCIL BINA TOLL ROAD LTD	Year ending 2017- 18		ľ	Ċ	ľ	,	ı '		ľ	ľ		,	7,318.95		<u>'</u>		,	ı,	
	TCII TOLL L	Year ending 2018- 19												7,881.09						
		Year end- ing 2017- 18		'	İ	'	·	,	П	'	<u>'</u>		·	62.50		'		Ċ	'	'
	UTL	Year ending 2018- 19												63.35						
/ear :	BHL	Year ending 2017-18		'	-		-	ı '		ľ	ľ		2,040.00	,		'		-	-	ı '
g the		Year end- ing 2018- 19																		
durin	TBL	Year ending 2017- 18			Ċ		16.10				ľ					65.54		,		
ctions		Year Year end- end- ing ing 2017- 2018- 19														21.94				
Transa	ICSIL	Year end- ing 2017- 18		ľ	Ċ	ľ	Ţ,	,		ľ	Ţ,		7.20		ᅳ	19.12		,		
Party	Ī	Year ending 2018- 19											7.20		Ш	54.40				
Relatec	TTL	Year ending 2017- 18		80.00	'			'		ľ	'		'	7,290.10		142.96		432.90		
pect of		Year ending 2018- 19												7,574.04		143.51		409.88		
Disclosure in Respect of Related Party Transactions during the year:		Particulars	Description of na- ture of transactions	Turnover	Other Income	Purchase of Material	Sub Contractors payment	Employees Remu-	neranon & Denem	Other Expenses	Purchase of Fixed	Tascis	Dividend/Interest Income	Debtors and other receiv-	Creditors and other	payables as at year end		Bank/Corporate Guarantees Given	Amount written off	Provision for doubt-

List of Jointly controlled entities/companies and their ownership particulars are given hereunder:	d their ownership particulars	are given hereu	mder:	non read on	the institute of Char	lered Account	ants of India			
Name of JV Company							% of own- ership of TCIL	% of owner- ship of Voting Power	Description of Interest	Interest
Bharti Hexacom Limited							30.00%	30.00%	Joint	Jointly controlled entity
TBL International Limited							44.94%	44.94%	Joint	Jointly controlled entity
United Telecom Limited							26.66%	26.66%	Joint	Jointly controlled entity
Telecommunications Consultants Nigeria Limited (TCNL) (Dormant Company)	ited (TCNL) (Dormant Com	oany)					40.00%	40.00%	Joint	Jointly controlled entity
Intelligent Communication Systems India Limited (ICSIL)	ited (ICSIL)						36.00%	36.00%	Joint	Jointly controlled entity
Share of Assets, Liabilities, Income & Expenditure etc.	liture etc.									(Rs in Lakhs)
	Bharti Hexacom Limited	mited	TBL International Limited	imited	United Telecom Ltd.	n Ltd.	T	TCNL	I	ICSIL
	Audited	Audited	Audited	Audited	Unaudited	Unaudited			Unaudited	Audited
Year Ending	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Share of Assets	340,221.00	310,410.00	170.91	196.08	1,269.69	1,356.93	ľ	'	3,571.16	3,495.38
22		1								
Share of Liabilities	167,193.00	115,731.00	4.26	8.52	2,422.97	1,030.17			2,624.77	2,694.05
Share of Income	108,597.00	132,543.00	9.79	18.64	5.35	55.84	'	'	5,938.90	5,401.22
Share of Expenses	142,281.00	137,826.00	30.69	17.43	1,555.73	1,659.60	1	1	5,703.34	5,174.68
TCIL's share in contingent liability of JV Co.	-	22,080.00		'		-	'			1
Contingent liability for jointly controlled		1	•	-		1	1	'	1	1
company incurred by TCIL										
Contingent Liability in regard to other	-	1	1	1		-	•	1	1	1
ventures incurred by TCIL										
TCIL's share in capital commitment of	-	1	•	'	•	-	'	-	1	-
Joint Venture Company										
Capital commitment for Joint Venture Co.	-	-	-	-	-	-	-	-	1	-
incurred by TCIL										

Statement of Accounts



FINAL FILE\_statement of account.indd 169 11/29/2019 8:32:50 PM



### 57. Disclosure as per IndAS-115:

Company has decided to adopt the Full Retrospective Approach in preparation of its Financial Statements. The adoptions of the standard have no impact on the financial statements of the company. Company has contracts with customers for different services like Consultancy Service, Trading Activities and Turnkey Projects. The significant management judgments on Revenue Recognition is to recognised the amounts of contract revenues and related receivables reflect management's best estimate of each contract's outcome and stage of completion which is determined based on physical progress, efforts, cost incurred to date bear to the total estimated cost of the transaction, time spent, service performed or any other method that management considered appropriate. For more complex contracts in particular, costs to complete and contract profitability are subject to significant estimation and uncertainty. Company has not incurred any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to statement of Profit and Loss. Cost incurred in fulfilling the contract is charged to Statement of Profit and Loss if it is not recoverable otherwise the same is part of unbilled revenue and unbilled assets.

#### 58. Disclosure as per IndAS-17

#### **Operating Leases**

The Company has taken office space, accommodations for staff and space for stores on lease. These are classified as operating leases. Lease payments in respect of office space and stores amounting to Rs 1,329.33 Lakhs (Previous year Rs 1,133.25 Lakhs) are shown under Note 32 'Administrative and Other Expenses'. Lease payments in respect of accommodations for staff amounting to Rs 938.41 Lakhs (Previous year Rs 659.11 Lakhs) form part of Note 30 'Employee Benefits Expense'. These operating leases are cancellable and generally renewed on yearly basis.

#### **Financial Leases**

Non current financial liabilities – Others (Note 18) includes, lease obligation of Rs 599.51 Lakhs relating to the land taken on non-cancellable lease by the company during March 1998 for 99 years, which has been classified as financial lease as per the requirement of IndAS-17.

Gross Lease rentals payable and Present value of Minimum Lease Payments (MLP) for each of the periods are as under: -

	As on 31s	t March 2019	As on 31	st March 2018
Particulars	Gross Lease Rentals Payable	Present Value of MLP	Gross Lease Rentals Payable	Present Value of MLP
Not later than one year	65.97	0.02	65.97	0.02
Later than one year and not later than five years	263.86	0.10	263.88	0.09
Later than five years	4,804.94	599.39	4,870.90	599.42





#### 59. Earnings Per Share

In compliance with IndAS-33 "Earning Per Share" issued by the Institute of Chartered Accountants of India, the elements considered for computation of Earnings Per Share (Basic &Diluted) are as under:

Numerator	Year Ended March 31, 2019	Year Ended March 31, 2018
Profit After Tax as per Profit and Loss Account (Used as Numerator (Rs. in Lakhs)	4,389.91	4,608.14
Denominator		
- Number of Equity Shares (Face value of Rs. 10/- each)	5,92,00,000	5,92,00,000
- Number of Shares allotted during the year	NIL	NIL
- Weighted Average number of equity shares for calculating Basic Earnings per share	5,92,00,000	5,92,00,000
- Weighted Average number of equity shares for calculating Diluted Earnings per share	5,92,00,000	5,92,00,000
- Basic Earnings Per Share (Rs. per share) (Face value of Rs. 10/- each)	7.42	7.78
- Diluted Earnings Per Share (Rs. per share) (Face value of Rs. 10/- each)	7.42	7.78

#### 60. a) The reconciliation of the estimated tax expense at statutory income tax rate to income tax expense reported in the statement of profit and loss is as follows:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit/(loss) before income taxes	6,692.20	5,994.69
Tax at Company's statutory income tax rate of 34.944% (PY: 34.608%)	2,338.52	2,074.64
Adjustments in respect of allowances / disallowances		
Tax impact of exempted income	(2.52)	(708.49)
Tax impact of expenses which are disallowed	985.77	561.07
Tax impact of expenses which are allowed as per Income Tax act	(663.50)	(675.37)
Total Current Tax as per Statement of Profit & Loss	2,658.27	1,251.85

#### b) Significant components of net deferred tax liabilities / (assets) for the year ended March 31, 2019 are as follows:

Particulars	Opening Balance as on 01.04.2018	Recognised/ Reversed through Profit and Loss	Recognised/ Reversed through Other Comprehensive Income	Closing Balance as on 31.03.2019
Deferred Tax Liabilities/ (Asset) in relation to:				
Difference between book base and tax base of Property, plant & equipment	1,711.37	(256.88)	-	1454.49
Allowance for expected credit loss	(3,272.46)	(681.73)	-	(3,954.19)
Effect of expenditure debited to statement of profit and loss but allowed for tax purposes on payment basis	(601.28)	(39.39)	-	(640.67)
Others	(580.13)	(1.49)	-	(581.62)
Net Deferred Liabilities/ (Asset)	(2,742.50)	(979.49)	-	(3,721.99)

<sup>\*</sup> Includes exchange gain of Rs 26.66 Lakhs on conversion of foreign branches Deferred Tax.







#### 61. In accordance with Ind AS-37, particulars of provisions are as under:

Particulars	Gratuity	Leave Encashment	Retirement Emp. Med. Scheme	Provision for Income Tax
Opening Balance as on 01.04.2018	1,428.69	1,732.39	944.13	4,413.06
Addition during the Year	452.00	520.12	46.48	2,658.27
Withdrawn during the Year	-	1	-	-
Paid/Adjusted/Written Off during the Year	(1,428.69)	(431.72)	(36.81)	(2,047.51)
Closing Balance as on 31.03.2019	452.00	1,820.79	953.79	5,023.82

Particulars	Provision for Doubtful Debts	Provision for Doubtful Advances	Provision for losses in unfinished projects	Provision for Dimunition in value of Investment	Provision for Loss Allowance of Loans
Opening Balance as on 01.04.2018	6,364.88	3,090.93	105.10	1,466.13	-
Addition during the Year	609.11	80.98	-	0.05	1,276.61
Withdrawn during the Year	-	-	11.19	1	-
Paid/Adjusted/Written Off during the Year	106.74	-	-	-	-
Closing Balance as on 31.03.2019	6,867.25	3,171.91	93.91	1,466.18	1,276.61

#### 62. Previous year Figures have been realigned/recast/regrouped wherever considered necessary.

These are the Notes referred to in Balance Sheet and Statement of Profit and Loss

For and on behalf of the Board of Directors

For Hingorani M & Co. Chartered Accountants

(Firm Regn. No.: 006772N)

(Pardeep Kumar)

Partner

Membership No.: 085630

Date: 26.08.2019 Place: New Delhi N.Jain Director (Finance) DIN 06942419

A.K. Jain
Executive Director (F&A)

**A.Seshagiri Rao** Chairman & Managing Director DIN 06364174

**Rashmi Chawla**Dy. Company Secretary





# STATEMENT OF CONSOLIDATED ACCOUNT







#### HINGORANI M & CO

Chartered Accountant PAN: AAAFH3312E GSTIN: 07AAAFH3312E1Z2 35 Netaji Subhash Marg, Darya Ganj, New Delhi, Delhi - 110002 Tel: 011-4106 8129, 23268129

#### Independent Auditor's Report

To the Members of Telecommunications Consultants **India Limited** 

Report on the Audit of the Consolidated Financial Statements

#### **Opinion**

- We have audited the accompanying Consolidated Statements of Telecommunications Consultants India Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (collectively referred to as "the Group"), its joint ventures and associates, comprising the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").
  - In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view, in conformity with the Indian Accounting Standards under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Group as at 31st March, 2019, and its loss (financial performance including other comprehensive income) and its cash flows and the changes in equity for the year ended on that date, except in respect of one subsidiary whose financial statements reflect total assets of Rs 2,062.82 lakhs as on 31st March, 2019, total revenues of Rs. 5.46 lakhs and net cash flows of Rs (-) 38.52 lakhs for the year ended on that date. The company has not recognized the following financial liability / asset at fair value in terms of Ind AS 109 (including comparative figures as of 31st March 2018):
    - Amounts due to Fujikura Limited amounting to Rs.193.79 Lakh (Previous Year 189.66 Lakh); and

Trade Receivables (considered good) amountin to Rs.712.57 Lakhs (Previous year 743.53 Lakh).

We are informed that the effect of above matter does not have material impact on the Consolidated Financial Statements of the Group.

#### **Basis for Opinion**

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

#### **Emphasis of Matter**

In respect of one subsidiary, whose financial statements reflect total assets of Rs.2,062.82 lakhs as on 31st March, 2019, total revenues of Rs.5.46 lakhs and net cash flows of Rs.(-) 38.52 lakhs for the year ended on that date, the accumulated losses of Rs. 15,867.97 lakhs have eroded the Net Worth of the Subsidiary, indicating the existence of material uncertainty that may cast a doubt about the Subsidiary's ability to continue as a Going Concern. The Subsidiary has incurred a loss of Rs. 1,570.55 lakhs for the year under audit. Our opinion is not modified in respect of these matter.

#### Other Matter

We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of Rs.22,008.41 lakhs as at 31st March, 2019, total revenues of Rs.1,193.34 lakhs and net cash flows of Rs.(-)27.23 lakhs for the year ended on that date, as









considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net loss of Rs.21,671.91 Lakhs for the year ended 31st March, 2019, in respect of two joint ventures, whose financial statements / financial information have not been audited by us.

- These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as its relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other
- We have also considered the unaudited financial statements of two subsidiary entities, whose financial statements reflect total assets of Rs.320.85 lakhs as at 31st March, 2019, total revenues of 'Nil' and net cash flows of Rs.18.10 lakhs for the year ended on that date, which have not been audited as on date of consolidation. The Consolidated Financial statements also include the Group's share of net loss of Rs.107.03 Lakhs for the year ended 31st March, 2019, in respect of two joint ventures, whose financial statements / financial information have not been audited as on the date of consolidation
- In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.
- Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the financial statements certified by the management.

#### Information Other than Consolidated Financial Statements and Auditor's Report Thereon.

10. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Consolidated Financial Statement and Auditor's Report thereon. The Board's Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the Board's Report, If we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance

#### Responsibility of Management & Those Charged with Governance for the Financial Statement

11. The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group, including share of its joint ventures and associates, in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and its joint ventures and associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its joint ventures and associates, and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditor's Responsibilities for the Audit of the Financial **Statements**

12. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is







a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

#### We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)

   of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content

www.tcil-india.com

of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Report on Other Legal and Regulatory Requirements

- 13. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of subsidiaries, joint ventures and associates as noted in the 'other matters' paragraph, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (e) On the basis of the reports of the statutory auditors of joint ventures and associates incorporated in India, none of the directors of joint venture and associate companies incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section







164(2) of the Act. We are informed that the provisions of Section 164(2) of the Act are not applicable to the Holding Company and its subsidiary companies incorporated in India being Government companies in terms of notification no. G.S.R.463(E) dated 5<sup>th</sup> June 2015 issued by Ministry of Corporate Affairs.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding company, its subsidiary companies, associate companies and jointly controlled entities incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure 1".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, to the extent applicable, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other

financial information of the subsidiary companies , joint ventures and associates, as noted in the 'other matters' paragraph:

- (i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its joint ventures and associates
   Refer Note no: 44 to the Consolidated Financial Statements.
- (ii) Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
- (iii) There has been no delay in transferring amounts, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, joint ventures and associates incorporated in India.

For Hingorani M. & Co. Chartered Accountants Firm Regn.No.:06772N

lorough

(Pardeep Kumar)
Partner
M.No. 085630
UDIN:19085630AAAADI6194

Place: New Delhi. Dated: 26.08.2019 **Consolidated Accounts** 



#### Annexure-1 to the Independent Auditor's Report

(Referred to in paragraph 13(f) under the heading "Report on other Legal and Regulatory Requirements' section of our report of even date)

Report on Internal Financial Controls over Financial Reporting under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March 2019, we have audited the financial controls over financial reporting of **Telecommunications Consultants India Limited** (hereinafter referred to as "the Holding Company" and its subsidiary companies (collectively referred to as "the Group") its joint ventures and associates, which are companies incorporated in India, as of that date.

# Management's Responsibility for Internal Financial Controls

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal

financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

# Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over







11/29/2019 8:32:50 PM







#### **Financial Reporting**

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

In our opinion, the Holding Company, its subsidiary companies, joint ventures and associates, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over

financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 3 subsidiary companies and two joint venture companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

> For Hingorani M. & Co. **Chartered Accountants** Firm Regn.No.:06772N

(Pardeep Kumar) Partner M.No. 085630

Place: New Delhi. Dated: 26.08.2019

# Consolidated Accounts

### Consolidated Balance Sheet as at March 31, 2019

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS		Water 31, 2017	William 31, 2010
(1) Non-Current Assets			
(a) Property, Plant & Equipment	3	4,391.52	5,256.48
(b) Other Intangible assets	4	23,438.47	24,527.30
(c) Financial Assets		20,100.17	21,027.00
(i) Investment	5	174,141.05	195,705.98
(ii) Trade Receivables	6	2,653.88	2,149.45
(iii) Loans	7	142.06	167.33
(iv) Others	8	0.12	0.12
(d) Deferred Tax Assets(Net)	20	3,721.99	2,742.50
(a) 2 01011041 141111100010(1100)		208,489.09	230,549.16
(2) Current Assets			
(a) Inventories	9	1,745.78	1,327.18
(b) Financial Assets		1,7 10.7 0	1,027.10
(i) Trade Receivables	10	148,600.02	106,589.40
(ii) Cash & Cash Equivalents	11	13,118.28	16,703.68
(iii) Other Bank balances	12	323.51	338.18
(iv) Loans	13	3,869.49	3,346.70
(c) Current Tax Assets (Net)	14	1,995.21	2,363.14
(d) Other Current Assets	15	105,701.50	99,898.82
		275,353.79	230,567.10
Total Assets		483,842.88	461,116.26
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	2A	5,920.00	5,920.00
(b) Other Equity	2B	214,517.15	234,298.14
Equity attributable to the Owners of the Company		220,437.15	240,218.14
(c) Non Controlling Interest		(5,131.55)	(4,323.81)
Total Equity		215,305.60	235,894.33
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings.	16	7,002.10	11,470.10
(ii) Trade Payables	17	_	-
(iii) Other Financial liabilities	18	1,037.20	1,066.52
(b) Provisions	19	2,668.90	2,496.11
	-	10,708.20	15,032.73









# Consolidated Balance Sheet as at 31 March 2019 (contd...)

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings.	21	13,569.97	2,856.36
(ii) Trade Payables	22		
a) Total outstanding dues of Micro Enterprises and Small Enterprises		1,527.33	1,701.39
b) Total outstanding dues of Creditor other than Micro Enterprises and Small Enterprises		149,355.51	123,203.87
(iii) Other Financial liabilities	23	54,753.28	40,814.08
(b) Other Current liabilities	24	20,377.02	25,921.42
(c) Provisions	25	18,245.97	15,692.08
		257,829.08	210,189.20
Total Equity & Liabilities		483,842.88	461,116.26
Significant Accounting Policies	1		1

Notes from 1 to 64 form integral part of Accounts

This is the Balance Sheet referred to in our report of even date

For and on behalf of the Board of Directors

For Hingorani M & Co. **Chartered Accountants** 

(Firm Regn. No.: 006772N)

(Pardeep Kumar)

Partner

Membership No.: 085630

Date: 26.08.2019 Place: New Delhi

Director (Finance) DIN 06942419

A.K. Jain Executive Director (F&A)

A.Seshagiri Rao Chairman & Managing Director DIN 06364174

Rashmi Chawla Dy. Company Secretary

**(** 

Consolidated Accounts



# Consolidated Statement of Profit & Loss for the year ended 31 March 2019

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31, 2019	Year ended March 31, 2018
INCOME			
Revenue from Operations	26	162,815.54	124,374.03
Other Income	27	605.80	2,820.80
Total Revenue		163,421.34	127,194.83
OPERATING EXPENDITURE			
Cost of Materials Consumed	28	4,139.63	8,764.05
Purchases of Stock-in-Trade		17,363.80	18,696.17
Change in Inventories of Stock in Trade	29	-	7.97
Sub-Contracts Expenditure		89,376.13	57,147.13
Toll Collection Expenses		184.63	144.76
Employee benefits Expense	30	27,438.63	22,459.19
Finance Costs	31	2,297.39	1,963.72
Depriciation and Amortisation Expense	3	1,764.77	1,684.06
Administrative and Other Expenses	32	13,406.00	11,280.13
Corporate Social Responsibility Expenses		64.08	134.83
Provisions made		629.64	67.79
Total Expenses		156,664.70	122,349.80
Profit before Share of profit of jointly controlled entity and Tax		6,756.64	4,845.03
Exceptional and extraordinary items		-	2.16
Share of Profit/ (Loss) of jointly controlled entities (net of tax)		(21,564.88)	(5,639.92)
PROFIT/ LOSS BEFORE TAX		(14,808.24)	(797.05)
Tax Expense	33		
- Currenct Tax		3,255.13	1,740.00
- Deferred Tax		(952.83)	(353.45)
Total of Tax Expense		2,302.30	1,386.55
Profit/(Loss) for the period (A)		(17,110.54)	(2,183.60)
Less:- Share of Profit / (Loss) to Non controling Interest		(800.91)	(734.73)
Profit/ (Loss) attributable to Owners of the Company		(16,309.63)	(1,448.87)
Other Comprehensive Income / (Loss)			
(i) Items that may be re-classified to Profit & loss			
Exchange difference arising on translating foreign operations		(1,734.54)	(590.15)
Income Tax effect	33	610.08	204.43
Net other Comprehensive Income / (Loss) to be reclassified to profit & loss in subsequent periods		(1,124.46)	(385.72)





# Consolidated Statement of Profit & Loss for the year ended 31 March 2019 (contd...)

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Note	Year ended March 31, 2019	Year ended March 31, 2018
(ii) Items that will not be reclassified to Profit & loss			
Acturial gain/(losses) on defined benefit plans		(185.76)	(710.08)
Income Tax effect	33	61.00	249.24
Net other Comprehensive Income / (Loss) not to be re- classified to profit & loss in subsequent periods		(124.76)	(460.84)
Other Comprehensive Income / (Loss) net of tax (i+ii) (B)		(1,249.22)	(846.56)
Less:- Share of Other Comprehensive Income / (Loss) to Non controling Interest		(11.66)	10.48
Other Comprehensive Income / (Loss) attributable to Owners of the Company		(1,237.56)	(857.04)
Total Comprehensive Income/ (Loss) attributable to:			
Owner of the Company		(17,547.19)	(2,305.91)
Non controlling Interest		(812.57)	(724.25)
Total comprehensive Income/ (Loss) for the year (A + B)		(18,359.76)	(3,030.16)
Earnings per share of Rs. 10/- each (In Rs.):	57		
- Basic		(27.55)	(2.45)
- Diluted		(27.55)	(2.45)
Significant Accounting Policies 1			

Notes from 1 to 64 form integral part of Accounts

This is the Statement of Profit & Loss referred to in our report of even date

For and on behalf of the Board of Directors

For Hingorani M & Co. **Chartered Accountants** 

(Firm Regn. No.: 006772N)

(Pardeep Kumar)

Partner

Membership No.: 085630

Date: 26.08.2019 Place: New Delhi Director (Finance) DIN 06942419

A.K. Jain

Executive Director (F&A)

A.Seshagiri Rao Chairman & Managing Director DIN 06364174

Rashmi Chawla Dy. Company Secretary

Consolidated Accounts



# Consolidated Cash Flow Statement for the year ended March 31, 2019

(All amounts are in Rupees in Lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
A	CASH FLOWS FROM OPERATING ACTIVITIES		
	Net profit before taxation as per statement of Profit & Loss	(14,808.24)	(797.05)
	- Extraordinary Items	-	-
	Net profit before taxation , and extraordinary items	(14,808.24)	(797.05)
	Adjustments for :		
	- Depreciation & Amortisation Expenses	1,764.77	1,684.07
	- Foreign Exchange Loss / Gain	(1,734.54)	(590.15)
	-Loss / Profit on Sale of Assets/ Scrapping of Assets	122.36	95.97
	- Interest Income	(147.15)	(302.25)
	- Dividend Income	(7.20)	(2,047.20)
	- Interest Expenses	2,231.44	1,862.62
	- Provision for Doubtful Debts / Advances	629.59	67.79
	- Bad Debts Written Off	161.86	154.91
	- Provision for Loses in unfinished projects	-	-
	- Provision for Dimunition in value of Investment	0.05	-
	- Acturial Gain / Loss on Defined Benefit Plan	(185.76)	(710.08)
	Operating profit before working capital changes	(11,972.82)	(581.37)
	Adjustments for :		
	- Change in Sundry Debtors	(43,239.64)	686.18
	- Change in Inventories	(418.60)	(275.33)
	- Change in Trade payable	25,977.57	17,190.57
	- Change in Other Current/ Non Current Liabilities & Provisions	21,268.00	17,424.92
	- Change in Other Current / Non Current assets	(6,393.74)	(27,421.08)
	Cash generated from operations	(14,779.23)	7,023.89
	- Unrealised Foreign Exchange		
	- Income taxes paid	(2,216.13)	(597.13)
	Cash Flows before extraordinary item	(16,995.36)	6,426.76
	- Extraordinary Items		
	Net cash from operating activities - (A)	(16,995.36)	6,426.76
В	Cash flows from investing activities		
	- Purchase of Fixed assets including FX Gain /Loss	(369.77)	(1,291.55)
	- Proceeds from sale of equipment	436.41	450.32
	- Proceeds / Capitalization of Intangible assets under Development	-	668.11
	- Change in Investment	21,564.88	5,639.94
	-Change in Other Bank balances	14.67	55.90
	- Interest received	147.15	302.25
	- Dividend received	7.20	2,047.20
	Net cash from (used in) investing activities - (B)	21,800.54	7,872.17
С	Cash flows from financing activities		
<del>-</del>	- Proceeds from issuance of Share Capital		_
	- Proceeds from Long-Term Borrowings	(3,937.00)	(3,441.41)
	- Interest paid	(2,231.44)	(1,862.62)
	- Dividend paid	(2,222.14)	(852.40)
	Net cash used in / from financing activities - ( c )	(8,390.58)	(6,156.43)







# Consolidated Cash Flow Statement for the year ended March 31, 2019 (contd...)

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
NET INCREASE / (DECREASE) IN CASH & BANK BALANCES - (A+B+C)	(3,585.40)	8,142.50
	-	-
Cash and Bank balances at beginning of period	16,703.68	8,561.18
Cash and Bank balances at end of period	13,118.28	16,703.68
	-	-
NET INCREASE / (DECREASE) IN CASH & BANK BALANCES	(3,585.40)	8,142.50

# Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows "
- Cash and cash equivalents at the end of the period include deposit with banks Rs. 0.04 Lakhs (Previous year Rs. 3.59 lakhs) held by foreign branches which are not freely repatriable to the company because of currency exchange restriction, however amounts are held in continuing projects towards local expenditure of projects.
- The undrawn borrowing facilities available for future operating activities and to settle capital commitments at 31st March 2019 amount to Rs. 22,438.25 Lakhs (Previous year Rs. 6,649.22 Lakhs)
- Figures in the brackets denotes negative value.
- Previous year figures have been realigned / recast / regrouped wherever necessary

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of the Board of Directors

For Hingorani M & Co.

**Chartered Accountants** (Firm Regn. No.: 006772N)

(Pardeep Kumar)

Partner

Membership No.: 085630

Date: 26.08.2019 Place: New Delhi

N.Jain Director (Finance) DIN 06942419

A.K. Jain Executive Director (F&A)

A.Seshagiri Rao Chairman & Managing Director DIN 06364174

Rashmi Chawla

Dy. Company Secretary

www.tcil-india.com

11/29/2019 8:32:51 PM



Total

# **(**

# Consolidated Accounts

**(** 

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY Notes forming part of Consolidated Financial Statements

All amounts are in Rupees in Lakhs, unless otherwise stated)

	/ /	
5,920	-	5,
OTHER EOUITY		

(2000)	Balance as at March 31, 2019	5,920		Champ ann!
	Changes in Balan Equity Marc Share Capital 2019 during the year 2018-19	-		
A. EQUITY SHARE CAPITAL	Balance as at the beginning of reporting period - April 1, 2018	5,920	B. OTHER EQUITY	
ww	w.tcil-india.co	om		

Other Reserves General Reserves Capital Restructuring Reserve Securities Premium cation money Share applipending allotment **Particulars** 

(812.57)(5,131.55)(5,131.55)(4,323.81)(812.57)Controling Interest 214,517.15 234,298.14 214,517.15 (17,558.85)2,222.14 (19,780.99)Other items of Other Com-(732.75)(124.76)(124.76)(857.51)(857.51)prehensive incomes a foreign operation (1,124.46)(1,124.46)(3,511.03)(3,511.03)(2,386.57)differences on statements of translating the financial 159,317.60 177,849.37 (16,309.63)2,222.14 (18,531.77) 157,149.83 (2,167.77)Retained Earn-59,039.76 59,039.76 2,167.77 61,207.53 480.11 480.11 480.11 48.22 48.22 48.22 Balance at the end of reporting period March 31, 2019 Less: Dividend & Dividend Distribution tax paid in Balance at the end of reporting period March 31, Total comprehensive income for the year Any Other Change/Adjustment Transfer to retained Earnings Transfer to General Reserve Balance at the end current year 2018

This is the Statement of Change in Equity referred to in our report of even date

3

For and on behalf of the Board of Director

A.Seshagiri Rao

Chairman & Managing Director DIN 06364174

> Director (Finance) DIN 06942419

> > (Firm Regn. No.: 006772N)

For Hingorani M & Co. Chartered Accountants

N.Jain

Dy. Company Secretary Rashmi Chawla

A.K. Jain

Executive Director (F&A)

Date: 26.08.2018 Place: New Delhi

Membership No.: 085630

(Pardeep Kumar)

there!

FINAL FILE\_statement of account.indd 186 11/29/2019 8:32:52 PM



# Notes Forming Part of the Consolidated Financial Statements for the year ended March 31,2019

### 1. SIGNIFICANT ACCOUNTING POLICIES:

# Basis of accounting and preparation of Consolidated Financial Statements:

# Basis of accounting

These Consolidated Financial Statements (hereinafter referred to as 'Consolidated Financial Statements') of Telecommunications Consultants India Limited ('the Company') and its subsidiaries and its Jointly controlled entity (hereinafter referred to as 'the Group'), have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India.

# **Functional and Presentation Currency**

ii) These consolidated financial statements are presented in Indian rupees, which is the functional currency of the parent Company. All financial information presented in Indian rupees has been rounded to the nearest lakh, except otherwise indicated.

# **Basis of measurement**

iii) These Consolidated Financial statements are prepared under the historical cost convention unless otherwise indicated.

# (a) Use of estimates and judgments

The preparation of the financial statements in conformity with IND AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Company financial statements is included in the following notes:

Classification of finance lease.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Recoverable amount of Trade and other receivables.
- Provisions.
- Tax calculations.

# 1.2 Principles of Consolidation:

# **Subsidiaries**

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Company is exposed to, or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. The financial statements of the Company and its subsidiaries and jointly controlled entity have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances as mentioned in those policies.







Consolidated Accounts



Upon loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in the Consolidated Statement of Profit and Loss. If the Company retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee depending on the level of influence retained.

# Associates and joint ventures (equity accounted investees)

Associates are those entities over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entities but is not control or joint control of those policies. Significant influence is presumed to exist when the Company holds more than 20% of the voting power of another entity. Joint arrangements are those arrangements over which the Company has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in associates and jointly controlled entities are accounted for using the equity method (equity accounted investees) and are initially recognized at cost. The carrying value of the Company's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The Company does not consolidate entities where the non-controlling interest ("NCI") holders have certain significant participating rights that provide for effective involvement in significant decisions in the ordinary course of business of such entities. Investments in such entities are accounted by the equity method of accounting. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

# Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealized gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee.

# Non-controlling interests ("NCI")

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions

# 1.3 RECOGNITION OF INCOME/EXPENDITURE

# **Revenue Recognition**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The consideration does not include taxes and duties collected on behalf of the government. The Company has generally concluded that it is the principal in its revenue arrangements.

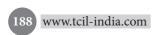
# (a) Consultancy and /or Service Contracts

Revenue from providing services is recognized based on performance obligation satisfied either over time or at a point in time.

In case performance obligation satisfied over time, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on Input or output method after considering physical progress, efforts, proportion the cost incurred to date bear to the total estimated cost of the transaction, time spent, service performed or any other method that management considerers appropriate.

In other cases where performance obligation is not satisfied over time, revenue is recognized at a point in time when control of the asset is transferred to the customer, generally on delivery of the asset.

In case contracts include multiple performance obligations, the transaction price is allocated to each performance obligation on the stand alone selling price. Therefore the performance obligation is satisfied in case of sale of a unit at a point in time,







11/29/2019 8:32:52 PM



# Telecommunications Consultants India Limited Annual Report 2018-19

and hence revenue is recognized at a point in time when the performance obligation is satisfied.

# (b) Trade Income

Trade income is recognized on the basis of point in time when the Company transfers control of the asset to the customer, which generally happens on delivery of the asset.

# (c) Turnkey Projects (Including cost plus contracts)

Under turnkey contracts, the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

For turnkey contracts, the transaction price is the price which is contractually agreed with the customer. The revenue is recognized over time using an input method to measure progress towards complete satisfaction, because customer controls the asset as it is created or enhanced.

# Notes:

- i) Where a contract for supply of material and for works is not a single unit, revenue for supply of material is accounted for as trading income under 1.3 (b), while the works are accounted for in accordance with turnkey project under 1.3 (c), above.
- ii) In case of a contract for supply of material and services, income from supply of material is taken under 1.3 (b), while for services income is taken under 1.3 (a) as service contract.

# (d) Build-Operate-Transfer (BOT) projects:

- i) Revenue relatable to construction services rendered in connection with BOT projects undertaken by the company is recognized during the period of construction using percentage completion method.
- ii) Revenue relatable to toll collections of such projects from users of facilities is accounted when the amount is due and recovery is certain.
- iii) License fees for way-side amenities are accounted on accrual basis.

# 1.4 PROVISION FOR WARRANTY / MAINTENANCE PERIOD EXPENSES

- (a) On completion of the contract or when warranty period commences in terms of contracts for projects covered under 1.3(c), provision is made for warranty period / maintenance expenses on specific basis as estimated. The excess provision created in earlier years is written back through "Other Operating Income" after completion of the warranty period.
- (b) On Supplies covered under 1.3(b), provision is made for warranty period /maintenance expenses on specific basis as estimated. The excess provision created in earlier years, if any, is written back through "Other Operating Income" after completion of the warranty period.

# **Others Provisions**

Provisions for legal claims, service warranties, volume discounts and returns are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.







Telecommunications Consultants India Limited Annual Report 2018-19

# 1.5 ACCOUNTING OF LEASES

# a) Financial Lease

Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

# b) Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

# 1.6 STORES, SPARES, STOCK-IN-TRADE AND WORK IN PROGRESS

- a) Stores and spares including uninstalled stores and spares are valued at cost. Cost is ascertained on Weighted Average basis.
- b) Stock-in-trade is valued at lower of cost or realizable value.
- c) Loose tools are charged in the year of purchase.
- d) On completion of project abroad when no new project is anticipated in that country and assets / stores are not required during Warranty period also, Assets/Stores are discarded and declared as scrapped and valued at one unit each of the respective currency till its disposal.
- e) Work in progress for contracts for which revenue recognition is as per Accounting Policy para 1.3 D is valued at cost plus attributable profit.

# 1.7 INTANGIBLE ASSETS AND AMORTISATION-BOT PROJECTS

# (a) Software

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or infinite.

Intangible assets with finite lives are amortized over the useful economic lives and assessed for impairment whenever there is an indication or once in every year that the intangible assets may be impaired. The amortization period and method are reviewed at the end of each reporting period.

# (b) Rights of collection

Toll collection rights obtained as concessionaire or rendering construction services represent the right to collect toll revenue during the concession period in respect of BOT projects undertaken by the company. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs including related margins as given in Accounting Policy 1.3(d) plus obligation towards negative grants payable, if any. Till completion of the project, the same is recognized as capital work-in-progress. Administrative and other general overhead expenses that are attributable to







acquisition of intangible assets are allocated as a part of cost of the intangible assets.

# **Amortization**

- Computer software is amortized on SLM method over a period of 3 years
- Toll collection rights (Intangible Assets) are amortized over the concession period / agreement in proportion to actual revenue for the year to total Projected Revenue from the Intangible assets as provided to the project Lender at the time of Financial closure/agreement for the first year and in subsequent years as revised at the end of each financial year based on revised Projected total revenue for the total concession period

# 1.8 TRANSLATION OF FOREIGN CURRENCIES

# **Foreign Currencies**

Items included in the financial statements of each of the foreign operations are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

# **Transactions & Balances**

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of the following:

- Exchange differences arising in the financial statements that include the foreign operation (Branch/Site office) and the reporting entity, such exchange differences are recognized initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the net investment of a foreign operation. These are recognized in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.
- Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction; and in case non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

# Translation to the presentation currency

The results and financial position of an entity whose functional currency is differ than presentation currency shall be translated into a presentation currency using the following procedures

- (a) Assets and liabilities for each balance sheet presented (i.e including comparatives) shall be translated at the closing rate at the date of that balance sheet;
- (b) Income and expenses for each statement of profit and loss presented (i.e including comparatives) shall be translated at exchange rates at the dates of the transactions; and
- c) All resulting exchange differences shall be recognized in other comprehensive income.

The exchange differences referred to in above paragraph (c) result from:







- Translating income and expenses at the exchange rates at the dates of the transactions and assets and liabilities at the closing rate.
- Translating the opening net assets at a closing rate that differs from the previous closing rate.

These exchange differences are not recognized in profit or loss because the changes in exchange rates have little or no direct effect on the present and future cash flows from operations. The cumulative amount of the exchange differences is presented in a separate component of equity until disposal of the foreign operation.

On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognized in other comprehensive income and accumulated in the separate component of equity, shall be reclassified from equity to profit or loss (as a reclassification adjustment) when the gain or loss on disposal is recognized.

# 1.9 BORROWING COSTS

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

# 1.10 CAPITAL SUBSIDY/ GRANTS

# Grants

- Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.
- Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight- line basis over the expected lives of the related assets and presented within other income.

# 1.11 CONTRACT COMPLETION

Revenue on turnkey jobs is recognized as per Accounting Policy 1.3(c). The contract is considered as completed when the last job in the contract is completed and the maintenance / warranty period commences.

# 1.12 INVESTMENTS

# **Investment properties**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

# Investments (IND AS 101 and 27)

Investments in Subsidiaries, Joint ventures and associates in India or outside India are classified as long term investments and are carried cost. There may be decline in the value, if the company encounters impairment during the annual test of impairment; then the investment is shown at the reduced value. In case where the investments are quoted in stock exchange











and are being quoted at less than the cost price for the last 12 months, in such cases, it is being treated as a permanent decline in the cost and are being accounted for at reduced value. On improvement of performance, these investments are valued upto the cost.

In cases of unquoted investments, if there is a decline in the performance of the company for thirty six months, the investment is shown at the reduced value. Now, in case of investment in venture having operating project with long gestation period, no impairment is made during the initial period in which the company is expected to make losses, till the time the entire loss is recouped, as per the approval feasibility report. However, if there is agreement with any other party for realization of investment at par value, investment will continue to be shown at par value. On improvement of performance, these investments are valued up to the cost.

# 1.13 DEPRECIATION ON TANGIBLE ASSETS IN INDIA AND ABROAD

Property, plant and equipment are stated at the cost of acquisition or construction less accumulated depreciation and write down for, impairment if any. Costs that are directly related to acquisition of asset are capitalized until the assets are ready to be put to use. Property, plant and equipment purchased in foreign currency are recorded at cost, based on the exchange rate on the date of purchase.

The Company identifies and determines cost of each component/ part of Property, plant and equipment separately, if the component/ part have a cost which is significant to the total cost of the Property, plant and equipment and has useful life that is materially different from that of the remaining asset.

Gains or losses arising from derecognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of Property, plant and equipment and are recognized in the statement of profit and loss when the Property, plant and equipment is derecognized. Cost of assets not ready for use at the balance sheet date is disclosed under capital work-in-progress.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. (Ind AS 16)

# Depreciation on fixed assets

- Leasehold lands are amortized over the period of lease.
- ii Leasehold buildings are depreciated over the period of lease. In case useful life as specified in Schedule II of Companies Act 2013 is less than period of lease then depreciation shall be charged over useful life as specified in Schedule II of Companies Act 2013.
- iii Depreciation on other fixed assets is provided on straight line method based on the useful life as specified in Schedule II of Companies Act 2013
- Capital items valuing less than Rs 5000/- each are fully depreciated in the year of acquisition.

# 1.14 TAXATION

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities









# Telecommunications Consultants India Limited Annual Report 2018-19

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amount will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively

# 1.15 AGENCY TRANSACTIONS

- a) Agency / Sponsorship fee is paid on realization of bills / receipt of advance payment. It is accounted for on accrual basis.
- b) In respect of projects in some countries, business is transacted through Agents/JV Companies. Assets and liabilities in the name of such Agents / JV Companies are shown as assets and liabilities of the company under natural heads of accounts. This is being done as the company is principal and responsible for execution and profit/ loss of the project and the routing of transaction through Agents/JV companies is as per requirement of law and contract in these countries.

# 1.16 LIQUIDATED DAMAGES / CLAIMS

Liquidated damages/ claims deducted by customer or the company are considered on admittance basis and accounted for in miscellaneous expenses/income.

# 1.17 EMPLOYEE'S BENEFITS

# (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

# Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. The Actuarial valuation is taken and used to measure the present value of expected future payments to be made in respect of services provided by employees up to the









end of the reporting period. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

# Post-employment obligations

The Company operates the following post-employment schemes:

- a) defined benefit plans such as gratuity, post-employment medical plans; and
- b) defined contribution plans such as provident fund.

Gratuity:- Liability for payment of gratuity to employees rest with "Telecommunications Consultants India Limited Group Gratuity Trust "which has taken a Group Gratuity cum Life Assurance Policy from Life Insurance Corporation of India. Amount paid / payable for keeping the said policy in force based upon actuarial valuation is charged to Profit and Loss Account

# Leave Encashment

For Leave Encashment of employees on retirement, the company provides liability on the basis of actuarial valuation.

# **Retirement Medical Benefits**

The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit plans. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise.

# 1.18 LIABILITIES / CONTINGENT LIABILITIES

Contingent liabilities are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

# 1.19 PREPAID EXPENSES.

Prepaid expenses up to Rs. 25,000/- are treated as expenditure of the current year and charged to the natural heads of account.

# 1.20 MISCELLANEOUS

- i. Claims for interest on overdue receivables are accounted for on admittance.
- ii. Claims for Export Incentives and Insurance claims are accounted on admittance.
- iii In case of BOT toll road project, expenses incurred on overlay shall be charged in the same financial year.

# 1.21 IMPAIRMENT

# 1) Financial assets

The Company assesses financial assets at each reporting date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses (ECL) model for measurement and recognition of impairment loss on financial assets and credit risk exposure.

Company follows 'simplified approach' for recognition of impairment loss. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.





**(** 



# 2) Non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

# 1.22 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Initial recognition and measurement:** - All financial assets are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

# Subsequent measurement:-

- 1) Financial instruments at amortized cost the financial instrument is measured at the amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

2) Financial assets at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI)

A financial asset is classified as FVTPL if it is classified as held for trading or is designated as such on initial recognition. In other cases, Company decides to classify the each financial instrument either as at FVOCI or FVTPL at initial recognition.

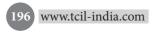
# Financial asset

# - Held-to-maturity financial assets

If Company, has positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held to maturity. Held-to-maturity financial assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

# - Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition,





11/29/2019 8:32:53 PM







loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise cash and cash equivalents, and trade and other receivables.

# - Cash and Cash equivalents

Cash and cash equivalents comprise cash balances (Cash in hand, bank balances) and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of the short-term commitments.

# -Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognized initially at fair value plus any directly attributable transaction costs.

# - Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment

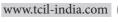
# Financial liabilities

Company initially recognizes debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated as at fair value through profit or loss or fair value through other comprehensive income) are recognized initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables.





# A: EQUITY SHARE CAPITAL

(All amounts are in Rupees in Lakhs, unless otherwise stated)

# a. Authorised, Issued, Subscribed and Paid-up Share Capital:

Particulars	As March 3	** *	As March 3	
	Numbers	Rs.	Numbers	Rs.
Authorised Share Capital				
Equity Shares of Rs. 10/- each	160,000,000	16,000	60,000,000	6,000
Issued, Subscribed and Paid-up				
Equity Share Capital				
Equity Shares of Rs 10/- each fully Paid-up	59,200,000	5,920	59,200,000	5,920
Total	59,200,000	5,920	59,200,000	5,920

# b) Reconciliation of number of shares:

Particulars	As March 3		As March 3	
	Numbers	Rs.	Numbers	Rs.
Equity Shares				
Opening balance	59,200,000	5,920	59,200,000	5,920
Issued during the year	-	-	-	-
Closing balance	59,200,000	5,920	59,200,000	5,920

# c) Shareholders' holding more than 5% shares of the Company:

Particulars	As March 3		As March 3	***
<b>Equity Shares</b>	Numbers	Rs.	Numbers	Rs.
The President of India & his nominees (Nos)	59,20	0,000	59,200	0,000
Holding (%)	10	00	10	0

# Notes

- i) During the year the authorised captal has been increased to Rs. 16,000 lakhs from Rs. 6,000 Lakhs
- ii) Out of the shares outstanding as on 31.03.2019, 4,29,00,000 equity shares of Rs. 10/-each have been allotted as fully paid up Bonus shares by capitalising General Reserve for consideration other than cash.
- iii) Eight Government of India officials  $\,$  are holding  $\,$  28,800 shares of Rs. 10/- each as nominees of President of India.
- iv) During the period of five years immediately preceding the date of Balance Sheet, the Company has not :
  - i) Allotted fully paid up shares by way of bonus shares.
  - ii) Bought back any class of shares.
- v) Each equity share carries right to vote and the Company has issued only one class of share i.e. equity share
- vi) Vote of members: Every member present in person and being a holder of equity share shall have one vote and every person either as a general proxy on behalf of a holder of equity share, shall have one vote or upon a poll, every member shall have one vote for every share held by him.









11/29/2019 8:32:53 PM



**NOTE 2B: OTHER EQUITY** 

(all amounts are in Rupee in Lakh, unless otherwise stated)

	Particulars	As at March 31, 2019	As at March 31, 2018
i)	Securities Premium	48.22	48.22
1)	Occurred 1 Termum	10.22	10,22
ii)	Capital Restructuring Reserve	480.11	480.11
iii)	General Reserve		
	Opening Balance	59,039.76	55,284.02
	Additions / (Deductions) during the year	2,167.77	3,755.74
	Closing Reserves	61,207.53	59,039.76
iv)	Surplus in Statement of Profit & loss		
	Notes		
	Opening Balance	177,849.37	183,918.04
	Profit/ (Loss) for the Period	(16,309.63)	(1,448.87)
	Less:		
	Dividend paid	1,843.25	708.22
	Dividend distribution tax paid	378.89	144.18
	Any Other Changes / Adjustment	-	(11.66)
	Transfer to General Reserve	2,167.77	3,755.74
	Closing Balance	157,149.83	177,849.37
v)	Other Components of Equity		
	Exchange difference arising on translating foreign operations (Net of tax)	(3,511.03)	(2,386.57)
	Acturial Gain / (Losses) on defined benefit plans (Net of tax)	(857.51)	(732.75)
	Sub Total (v)	(4,368.54)	(3,119.32)
	Total (i+ii+iii +iv+v)	214,517.15	234,298.14



# Consolidated Accounts

**(** 

Notes forming part of Consolidated Financial Statements NOTE 3 :PROPERTY, PLANT & EQUIPMENT

(all amounts are in Rupees in lakh, unless otherwise stated) 3A - TANGIBLE ASSETS (INLAND)

e/ Adjust- As at March and during all, 2019         As at March 31, 2019         As at larch 31, 2019         As at larch 31, 31, 2019         As at larch 31, 31, 2019         As at larch 31, 31, 2019         As at larch 31, 31, 2019         As at larch 31, 31, 2019         As at larch 31, 31, 32, 32         Af6.29         Af6.29         Af6.29         Af6.29         Af6.29         Af6.29         Af6.24         Af6.24         Af6.24         Af6.24         Af6.26			GR	GROSS BLOCK	CK			DE	DEPRICIATION	ION		NET	NET BLOCK
48.27         - 48.27         47.34         0.93         - 48.27         - 48.27         - 45.45         - 48.87         - 48.	Particulars	As on April 1,2018	Additions/ Adjustments during the	Transfer	Sale/ Adjust- ments during the year		As on April 1,2018	Depreciation during the year		Sale/ Adjust- ments during the year		As at March 31, 2019	As at March 31, 2018
Harry   Harr	Temporary Structure	48.27		-	1	48.27	47.34	0.93	-	-	48.27	-	6.03
ld)         605.16         -         -         605.16         122.76         6.11         -         128.87         476.29         -         605.16         -         122.76         6.11         -         128.87         476.29         -         605.47         38.76         6.13         -         998.79         360.84         360.84         22.50         -         99.75         476.29         66.47         38.76         6.09         -         99.75         46.54         38.76         6.89         6.64         -         99.75         46.54         -         39.75         46.59         6.64         38.76         6.64         -         99.75         46.59         6.64         -         99.74         -         99.44         -         99.75         46.59         6.64         -         99.44         -         6.68         99.54         -         99.54         90.50         90.54	Land	454.51	-	-	1	454.51	-	_	-	-	-	454.51	454.51
chold)         998.79         .         360.84         22.50         .         833.34         615.45         .         66.47         360.84         22.50         .         .         39.75         .	Land - Office (Leasehold)	605.16	-	1	1	605.16	122.76		1	1	128.87	476.29	482.40
Equip-         66.47         -         66.47         38.76         0.99         -         -         39.75         26.72           Equip-         688.39         7.48         -         6.64         -         6.68         -         6.68         -         9.47         -         9.44         -         9.64         -         9.64         -         9.64         -         9.64         -         9.64         -         9.64         -         9.64         -         9.64         -         9.64         -         15.54         9.65         -         15.64         15.64         -         15.64         11.12         15.64         11.12         15.64         11.12         15.64         11.12         15.64	Building - Office (Leasehold)	998.79		1	1	62.866	360.84	22.50	'	1	383.34	615.45	637.95
Equip-         688.39         7.48         -         (6.92)         648.89         648.80         6.64         -         (6.85)         648.59         40.36           Equip-         220.98         0.44         0.17         (0.40)         221.21         196.57         9.44         -         (0.34)         205.67         15.54           396.30         8.40         0.07         (30.05)         374.72         311.34         20.98         -         (0.24)         312.04         62.68           165.18         46.69         -         (36.13)         175.74         135.28         11.65         -         (20.28)         312.04         62.68         15.29         11.25         11.11.29         34.09.39         591.91         1,22	Building - Residential	66.47	-	-	1	66.47	38.76	0.99	-	-	39.75	26.72	27.71
Equip-         220.98         0.46         0.17         (0.40)         221.21         196.57         9.44         -         (0.34)         205.67         15.54           396.30         8.40         0.07         (30.05)         374.72         311.34         20.98         -         (20.28)         312.04         62.68           165.18         46.69         -         (36.13)         175.74         135.28         11.65         -         (35.64)         111.29         64.45         15.2           1,036.51         25.645.35         -         (1,644.05)         4,414.38         106.26         -         (35.64)         111.25         3,409.39         591.91         1,5           1,036.51         11,036.51         1,034.65         886.06         81.63         -         (4,779)         962.90         91.75         11,2           1,036.54         0.10         0.03         0.03         0.02         -         (4,779)         962.90         91.75         11,2           1,036.55         0.10         0.03         0.03         0.02         -         (24.74)         200.94         28.16         11,4           1,411.13         46.62         0.1         0.120.39         0.23 </td <td>Furniture and Fixture</td> <td>688.39</td> <td>7.48</td> <td>1</td> <td>(6.92)</td> <td>688.95</td> <td>648.80</td> <td>6.64</td> <td>1</td> <td>(6.85)</td> <td>648.59</td> <td>40.36</td> <td>39.59</td>	Furniture and Fixture	688.39	7.48	1	(6.92)	688.95	648.80	6.64	1	(6.85)	648.59	40.36	39.59
396.30         8.40         0.07         (30.05)         374.72         311.34         20.98         -         (20.28)         312.04         62.68           165.18         46.69         -         (36.13)         175.74         135.28         116.5         -         (35.64)         111.29         64.45         111.29         64.45         111.29         64.45         111.29         64.45         111.29         64.45         111.29         64.45         111.29         64.45         111.29         64.45         111.29         64.45         11.20         64.45         11.20         64.45         11.20         11.20         64.45         11.20	Office Machinery and Equipments	220.98	0.46	0.17	(0.40)	221.21	196.57	9.44	1	(0.34)	205.67	15.54	24.41
165.18         46.69         -         (36.13)         175.74         135.28         11.65         -         (35.64)         111.29         64.45         111.29         64.45         111.29         64.45         111.25         3,409.39         691.91         1,           5,645.35         -         -         (1,644.05)         4,011.30         4,414.38         106.26         -         (1,111.25)         3,409.39         591.91         1,           1,036.51         21.90         1.53         (5.29)         1,054.65         886.06         81.63         -         (4.79)         962.90         91.75         1,           1,036.51         21.0         22.0         220.10         220.89         4.79         -         6.4774         200.94         28.16           10,582.55         85.01         1.77         (1,750.36)         8,918.97         7,383.05         271.94         -         (1,203.89)         6,451.10         2,467.87         3,199.50         4,141.13	Electrical Appliances	396.30	8.40	0.07	(30.05)	374.72	311.34	20.98	-	(20.28)	312.04	62.68	84.96
5,645.35         -         (1,644.05)         4,011.30         4,414.38         106.26         -         (1,111.25)         3,409.39         591.91         1,1           1,036.51         21.90         1.53         (5.29)         1,054.65         886.06         81.63         -         (4.79)         962.90         91.75         91.75           0.10         0.11         0.02         -         -         0.05         -         -         0.05         0.05         -         -         0.05         0.05         0.05         -         -         0.05	Vehicles	165.18	46.69	-	(36.13)	175.74	135.28	11.65	-	(35.64)	111.29	64.45	29.90
1,036.51         21.90         1.53         (5.29)         1,054.65         886.06         81.63         -         (4,79)         962.90         91.75           0.10         0.10         -         -         0.01         0.03         -         -         0.05         -         0.05         -         0.03         0.03         -         -         0.03         0.03         -         -         0.03         0.03         0.03         -         -         0.03	Plant and Machinery	5,645.35		-	(1,644.05)	4,001.30	4,414.38	106.26	-	(1,111.25)	3,409.39	591.91	1,230.97
0.10         0.08         -         0.10         0.03         0.02         -         0.03         0.03         0.03         0.05         -         0.05         0.05         0.05         0.03 <td>Computers</td> <td>1,036.51</td> <td>21.90</td> <td>1.53</td> <td>(5.29)</td> <td>1,054.65</td> <td>886.06</td> <td>81.63</td> <td>1</td> <td>(4.79)</td> <td>962.90</td> <td>91.75</td> <td>150.45</td>	Computers	1,036.51	21.90	1.53	(5.29)	1,054.65	886.06	81.63	1	(4.79)	962.90	91.75	150.45
256.540.08-(27.52)229.10220.894.79-(24.74)200.9428.1610,582.5585.011.77(1,750.36)8,918.977,383.05271.94-(1,203.89)6,451.102,467.873,119.5011,411.3646.62-(875.43)10,582.557,277.29451.00-(345.24)7,383.053,199.504,1	Biometric System	0.10		-	1	0.10	0.03	0.02	-	-	0.05	0.05	20.0
10,582.5585.011.77(1,750.36)8,918.977,383.05271.94-(1,203.89)6,451.102,467.8711,411.3646.62-(875.43)10,582.557,277.29451.00-(345.24)7,383.053,199.50	Training Equipments	256.54	0.08	-	(27.52)	229.10	220.89	4.79	1	(24.74)	200.94	28.16	35.65
11,411.36     46.62     -     (875.43)     10,582.55     7,277.29     451.00     -     (345.24)     7,383.05     3,199.50	TOTAL (3A)	10,582.55	85.01	1.77	(1,750.36)	8,918.97	7,383.05	271.94	ı	(1,203.89)	6,451.10	2,467.87	3,199.50
	Previous Year (17-18)	11,411.36		-	(875.43)	10,582.55	7,277.29	451.00	-	(345.24)	7,383.05	3,199.50	4,134.07

Note: 1. Land & Building - Office (Lease Hold) is acquired under finance lease from VSNL/ TATA Communications for a period of 99 years and it is depreciated over the life of the lease term. Note: 2. Figures in brackets denotes negative values

200 www.tcil-india.com





11/29/2019 8:32:53 PM

# 3B - TANGIBLE ASSETS (FOREIGN)

**(** 

			GRO	GROSS BLOCK					DEPRIC	DEPRICIATION			NET BLOCK	LOCK
Particulars	As on April 1,2018	Additions/ Adjust- ments during the	Transfer	Sale/Adjust- ments during the year	Exch. Gain / (Loss)	Exch. Gain / As at March (Loss) 31, 2019	As on April 1,2018	Depre- ciation during the year	Transfer	Sale/Ad- justments during the year	Exch (Gain) / Loss	As at March 31, 2019	As at March 31, 2019	As on April 1,2018
emporary Structure	37.51	-	1	(12.85)	1.58	26.24	36.87	29.0	1	(12.85)	1.54	26.23	0.01	0.64
Furniture and Fixture	97.18	5.76	-	(62.0)	5.04	107.19	75.38	3.69	1	(69:0)	3.78	82.16	25.03	21.80
Office Machinery and	61.96	2.07	(0.24)	(0.72)	5.29	102.59	82.85	4.56	1	(0.13)	4.37	91.62	10.94	13.34
Equipments														
Electrical Appliances	136.83	6.51	-	(0.87)	7.82	150.29	95.69	7.05	1	(0.72)	5.15	104.17	46.12	44.14
Vehicles	2,108.14	75.69	1	(49.14)	114.99	2,249.68	1,314.68	182.39	1	(46.69)	66.59	1,516.97	732.71	793.46
Plant and Machinery	2,437.99	8.50	1	(15.70)	136.63	2,567.42	1,276.62	141.82	1	(6.82)	69.21	1,480.83	1,086.59	1,161.37
Computers	147.43	13.11	(1.53)	(1.14)	7.58	165.45	125.20	13.14	1	(1.01)	5.87	143.20	22.25	22.23
FOTAL (3B)	5,061.27	111.64	(1.77)	(81.21)	278.93	5,368.86	3,004.29	353.32	1	(168.91)	156.51	3,445.21	1,923.65	2,056.98
Previous Year 17-18	5,030.40	254.76	1	(280.47)	56.58	5,061.27	2,903.26	323.61	1	(264.33)	41.75	3,004.29	2,056.98	2,127.14
G. Total (3A+3B)	15,643.82	196.65	1	(1,831.57)	278.93	14,287.83	10,387.34	625.26	1	(1,272.80)	156.51	9,896.31	4,391.52	5,256.48
Previous Year Total	16,441.76	301.38	1	(1,155.90)	56.58	15,643.82	10,180.55	774.61	1	(609.57)	41.75	10,387.34	5,256.48	6,261.21
(17-18)														

Note: 1. Figures in brackets denotes negative values

Notes forming part of Consolidated Financial Statements
4 - INTANGIBLE ASSETS
(all amounts are in Rupees in lakh, unless otherwise stated)

		)	GROSS BLOCK	CK			DE	DEPRICIATION	N		NETE	NET BLOCK
Particulars	As on April 1, 2018	Additions/ Adjust- ments during the	Transfer	Sale/ Adjust- ments during the year	As at March 31, 2019	As at March As on April 31, 2019 1, 2018	Depreciation during the year	Transfer	Sale/ Adjust- ments during the year	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Toll Collection Rights *	28,911.73	1	1	ı	28,911.73	4,386.42	1,138.82	1	-	5,525.24	23,386.49	24,525.31
Computer Software	398.41	•	•	1	398.41	396.42	69'0	1	1	397.11	1.30	1.99
Pre-operative Expenses - TCIL USA Inc.		47.62	1	-	47.62	ı	1	1	-		47.62	1
Construction of additional Floor at Toll Building (Under Development)	1	3.06	1	1	3.06	1	1	1	1		3.06	1
TOTAL	29,310.14	20.68	-	ı	29,360.82	4,782.84	1,139.51	1	-	5,922.35	23,438.47	24,527.30
Previous Year (17-18)	28,334.79	975.35	1	1	29,310.14	3,873.39	909.45	1	1	4,782.84	24,527.30	24,461.40

\* Toll collection Rights includes Bhawanigarh - Nabha - Gobindgarh Toll Road for 13 years and 6 months, TCIL Bina Toll Road Ltd (SPV) for 22 years and 2 months and TCIL Lakhnadnoe Toll Road Ltd. (SPV) for 25 years and 9 months

**Consolidated Accounts** 



# NOTE 5 : NON CURRENT FINANCIAL ASSETS: INVESTMENTS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

	As at	As at
Particulars	March 31, 2019	March 31, 2018
Long - term Investment		
- Joint Ventures:		
Unquoted at Cost		
Telecommunications Consultants Nigeria Ltd.		
26000 (Previous year 26000) fully paid Equity Shares of 1 Naira each representing 40% of Capital		
Original Value	3.75	3.75
Less : Decline in value due to Devaluation of Naira	3.75	3.70
	-	0.05
Bharti Hexacom Ltd.		
7,50,00,000 (Previous year 7,50,00,000) fully paid Equity Shares of Rs.10 each, representing 30% of Capital	173,028.00	194,679.00
TBL International Ltd.		
87,641 (Previous year 87,641) fully paid Equity Shares of Rs.100 each representing 44.94% of Capital	166.66	187.57
Intelligent Communications Systems India Ltd.		
36,000 (Previous year 36,000) fully paid Equity Shares of Rs.100 each, representing 36% of Capital	946.39	839.36
United Telecom Ltd., Nepal		
57,31,900 (Previous year 57,31,900) Equity Shares of 100 Nepali Rupees each, representing 26.66% of Capital	-	-
Total	174,141.05	195,705.98
Aggregate value of Quoted Investment	-	-
Aggregate value of Unquoted Investment	174,141.05	195,705.98
Provision for Dimunition in value of Investment	3.75	3.70

202 www.tcil-india.com



11/29/2019 8:32:53 PM



# NOTE 6: NON CURRENT FINANCIAL ASSETS: TRADE RECEIVABLES

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Long-term Trade Receivables (including trade receivables on deferred credit terms)		
Unsecured		
Trade Receivables considered good	-	-
Retention Money considered good	2,653.88	2,149.45
Trade Receivables with significant increase in credit risk	1,113.85	1,071.50
	3,767.73	3,220.95
Less: Provision for Provision for Loss allowance	1,113.85	1,071.50
TOTAL	2,653.88	2,149.45

# Notes forming part of Consolidated Financial Statements NOTE 7 : NON CURRENT FINANCIAL ASSETS: LOANS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Loans		
Secured		
- Considered Good		
- Staff Advances (Represent House Building Advances secured against first charge on immovable property and Vechicle advances secured against First charge on Vehicles)	40.11	57.98
Unsecured		
- Considered Good		
Others	2.42	3.86
Security Deposits	54.16	55.45
Interest Accured but not due on loans	45.37	50.04
TOTAL	142.06	167.33

# Notes forming part of Consolidated Financial Statements NOTE 8 :NON CURRENT FINANCIAL ASSETS: OTHERS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Bank deposits		
Deposits with maturity of more than 12 months	0.12	0.12
(Pledged with bank against Guarantees)		
TOTAL	0.12	0.12







Consolidated Accounts

Telecommunications Consultants India Limited Annual Report 2018-19

# Notes forming part of Consolidated Financial Statements

# **NOTE 9: INVENTORIES**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Inventories		
As taken, valued and certified by the Management (valued at cost)		
- Raw Materials	199.30	60.48
- WIP	204.81	204.81
- Stores & Spares (including with Sub-contractors) at projects sites	1,535.63	1,116.18
- Others	1.30	1.30
	1,941.04	1,382.77
Less: Provision for obsolence/slow moving stores	195.26	55.59
TOTAL	1,745.78	1,327.18

# Notes forming part of Consolidated Financial Statements

# NOTE 10: CURRENT FINANCIAL ASSETS: TRADE RECEIVABLES

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Billed Receivables		
Unsecured		
A. Outstanding for period exceeding six months		
Trade Receivables considered good	41,469.70	43,088.18
Retention Money considered good	1,242.07	940.64
Trade Receivables with significant increase in Credit Risk	2,899.06	2,434.12
TOTAL - A	45,610.83	46,462.94
B. Others		
Trade Receivables considered good	72,662.44	32,795.23
Retention Money considered good	1,039.17	1,633.23
Unbilled	32,186.64	28,132.12
TOTAL - B	105,888.25	62,560.58
TOTAL (A+B)	151,499.08	109,023.52
Less : Provision for Loss allowance	2,899.06	2,434.12
TOTAL	148,600.02	106,589.40







# NOTE 11: CURRENT FINANCIAL ASSETS: CASH AND CASH EQUIVALENTS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
CASH AND CASH EQUIVALENTS		
A. Cash in Hand (including imprest balances)	31.65	23.97
B. Balances with Banks		
In Current Accounts	904.39	3,153.11
In Call Accounts	8.08	10.76
	912.47	3,163.87
Less: Provision against fund blocked in Banks *	50.71	49.45
	861.76	3,114.42
In Deposit Accounts		
Deposits with maturity of less than 3 months	12,183.82	13,505.73
In Saving Bank	7.43	20.13
In Margin Account	33.62	39.43
TOTAL - B	13,086.63	16,679.71
TOTAL - (A+B)	13,118.28	16,703.68

<sup>\*</sup> Allied Bank of Nigeria, Nigeria and El Khalifa Bank, Algeria went into liquidation long time back and provision for outstanding balances was provided in the accounts in earlier years.

# Notes forming part of Consolidated Financial Statements

# NOTE 12: CURRENT FINANCIAL ASSETS: OTHER BANK BALANCES

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits with maturity of more than 3 months but less than 12 months	323.51	338.18
TOTAL	323.51	338.18



**(** 



Telecommunications Consultants India Limited Annual Report 2018-19

# Notes forming part of Consolidated Financial Statements

# NOTE 13:CURRENT FINANCIAL ASSETS: LOANS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance recoverable in cash or in kind or for value to be received		
Secured (Considered Good)		
- Staff Advances (Represent House Building Advances secured against first charge on immovable property and Vechicle advances		
secured against First charge on Vehicles)	15.48	18.86
	15.48	18.86
Unsecured		
- Considered Good	379.50	407.73
	394.98	426.59
Security Deposits	3,086.07	2,166.12
Interest accrued but not due on loans	7.91	10.86
Interest accued but not due on Deposits	380.53	743.13
(Includes interest on Rs. 441 Lakhs (Previous year Rs. 446.00 Lakhs) of deposits in the name of Client A/c TCIL)		
TOTAL	3,869.49	3,346.70

# Notes forming part of Consolidated Financial Statements

**NOTE 14: CURRENT TAX ASSETS (Net)** 

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance Tax and TDS	7,019.03	6,776.20
Less: Provision for Income Tax	5,023.82	4,413.06
TOTAL	1,995.21	2,363.14





# **NOTE 15: OTHER CURRENT ASSETS**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance recoverable in cash or in kind or for value to be received		
Unsecured		
- Considered Good	19,650.33	17,798.85
- Considered Doubtful	3,171.91	3,090.93
	22,822.24	20,889.78
Less: Provision for Doubtful advances	3,171.91	3,090.93
	19,650.33	17,798.85
Interest accrued but not due on advances	904.05	339.69
Amount Due from Customers		
Work In progress	383,939.37	310,377.36
Less: Bills Raised	303,231.01	231,570.50
	80,708.36	78,806.86
MAT Credit Entitlement	-	130.98
Other Taxes Recoverable	4,438.76	2,822.44
TOTAL	105,701.50	99,898.82

# Notes forming part of Consolidated Financial Statements

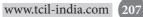
# **NOTE 16: NON CURRENT FINANCIAL LIABILITIES: BORROWINGS**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
A) SECURED LOANS		
Term Loan		
Rupee Loan		
- From Banks	8,303.10	9,073.44
Less: Current Maturity of Term Loan (Refer Note: 23)	1,301.00	770.00
TOTAL A	7,002.10	8,303.44
B) UNSECURED LOANS		
Term Loan		
Rupee Loan		
- From Govt. of India	3,166.67	6,333.33
Less: Current Maturity of Term Loan (Refer Note: 23)	3,166.67	3,166.67
TOTAL B	-	3,166.66
TOTAL (A+B)	7,002.10	11,470.10

# **Unsecured Term Loan:**

The Loan has been taken from DOT, Ministry of Communications & IT, Government of India. The sanctioned loan amount was Rs 95 Crores. An amount of Rs. 69 Crores was disbursed on 31/3/15 and Rs. 26 Crores was disbursed on 23/3/16. The interest rate is @ 11.50% p.a. and the repayment period of loan is 5 years including two years moratorium period.











# NOTE 17: NON CURRENT FINANCIAL LIABILITIES: TRADE PAYABLES

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
a. Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
b. Total outstanding dues of Creditor other than Micro Enterprises and Small Enterprises	-	-
TOTAL	-	-

# Notes forming part of Consolidated Financial Statements

# **NOTE 18: NON CURRENT FINANCIAL LIABILITIES: OTHERS**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
a. Lease obligation	599.51	599.53
b. Others	437.69	466.99
TOTAL	1,037.20	1,066.52

# Notes forming part of Consolidated Financial Statements

# **NOTE 19: NON CURRENT PROVISIONS**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

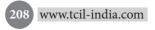
Particulars	As at March 31, 2019	As at March 31, 2018
a. Post Retirement Medical Benefits	912.03	886.96
b. Leave Salary Encashment	1,119.57	1,108.07
c. Others (Employee Benefits)	637.30	501.08
TOTAL	2,668.90	2,496.11

# Notes forming part of Consolidated Financial Statements

NOTE 20 : DEFERRED TAX LIABILITIES / (ASSETS)

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Liability:		
Related to Fixed Assets	1,454.49	1,711.37
Total	1,454.49	1,711.37
Deferred Tax Assets:		
Provision for Doubtful Debts	2,399.70	2,201.21
Provision for Doubtful Advances	1,108.39	1,071.25
Provision for Leave Encashment / Bonus	640.67	601.28
Provision for Loss allowances	446.10	-
Others	581.62	580.13
Total	5,176.48	4,453.87
Net Deferred Tax Liabilities / (Assets)	(3,721.99)	(2,742.50)









# Micro, Small & Medium Enterprises Development act 2006 ('MSMED') disclosure The dues to micro and small enterprises as required under the MSMED Act, 2006 based on the information available with the Company is given below:

Particular	As at March 31, 2019	As at March 31, 2018
(a) Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year :	-	-
- Principal amount due to Micro and Small Enterprises	1,527.33	1,701.39
- Interest due on above	-	-
(b) Amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(d) Amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.		-

<sup>\*</sup> The Company identify supplier registered under The Micro, Small and Medium Enterprises Development Act 2006, by obtaining confirmation from all suppliers at time issue of tender. The information has been collated only to the extent information received.

Telecommunications Consultants India Limited Annual Report 2018-19

# Notes forming part of Consolidated Financial Statements

# **NOTE 21: CURRENT FINANCIAL LIABILITIES: BORROWINGS**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
a) SECURED LOANS		
- From Banks (Overdraft Secured against Receivables, stocks and Bank term deposits)	8,173.53	2,006.29
b) UNSECURED LOANS		
Short Term Loan		
- Foreign Currency Loan from Banks	5,396.44	850.07
TOTAL	13,569.97	2,856.36

# Notes forming part of Consolidated Financial Statements

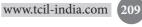
# **NOTE 22: CURRENT FIANCIAL LIABILITIES: TRADE PAYABLES**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
a. Total outstanding dues of Micro Enterprises and Small Enterprises *	1,527.33	1,701.39
b. Total outstanding dues of Creditor other than Micro Enterprises and Small Enterprises	149,327.13	122,647.78
c. Dues to Related Parties	28.38	556.09
TOTAL	150,882.84	124,905.26

**Consolidated Accounts** 









# NOTE 23 : CURRENT FINANCIAL LIABILITIES: OTHERS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
a. Currenct Maturities of Long Term Debts	4,467.67	3,936.67
b Interest Accrued but not Due on Borrowings	13.06	-
c. Interest Accrued and Due on Borrowings	9.53	9.53
d. Others	50,263.02	36,867.88
TOTAL	54,753.28	40,814.08

# Notes forming part of Consolidated Financial Statements

# **NOTE 24: OTHER CURRENT LIABILITIES**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
a. Advance from Customers	14,895.74	23,107.73
b. Other Payables ( Including Sales Tax , Service Tax and Others)	5,481.28	2,813.69
TOTAL	20,377.02	25,921.42

# Notes forming part of Consolidated Financial Statements

# **NOTE 25: CURRENT PROVISIONS**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	As at March 31, 2019	As at March 31, 2018
a. Provision for Warranty Period Expenses *	14,074.60	10,501.80
b. Employee Benefits	3,521.38	4,690.88
c. Others		
- Provision for Losses in Unfinished Projects	93.91	105.10
- Others	556.08	394.30
TOTAL	18,245.97	15,692.08

# \* Provision for Warranty Period Expenses:

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	10,501.80	8,301.72
Add: Provided for Current Year	4,361.47	3,738.76
Less: Withdrawn during the Current Year	193.23	1,200.63
Less: Utilized during the Current Year	595.44	338.05
Closing Balance	14,074.60	10,501.80







# NOTE 26: REVENUE FROM OPERATIONS

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
I. Sale of Products	18,791.50	21,416.73	
Less :- Excise Duty	-	0.78	
Selling Expenses	-	1.05	
Total	18,791.50	21,414.90	
II. Sale of Services			
a) Turnkey Projects Completed	20,589.83	1,076.49	
b) Accretion/Deccretion in work in progress			
Closing work in progress	383,939.37	310,377.36	
		0 - 0,000	
Less: Opening Work in Progress and adjustment	310,377.36	246,149.97	
	73,562.01	64,227.39	
c) Maintenance / Service Contracts	43,349.25	34,425.37	
d) Consultancy Projects	1,800.89	676.90	
a) Other Projects	2 907 04	237.24	
e) Other Projects	2,897.94	237.24	
III. Other Operating Revenue			
- Interest on Advance from Sub-contractor	777.69	225.00	
- Overheads recovered from Sub-contractor	5.33	11.06	
- Sale of Tenders	3.48	2.30	
- Provision for Warranty Period Expenses written back	193.23	1,200.63	
- Empanelment Fees from Contractors	38.98	17.37	
- Excess provision / liabilities written back	805.41	859.38	
TOTAL	162,815.54	124,374.03	



FINAL FILE\_statement of account.indd 211





11/29/2019 8:32:54 PM



Telecommunications Consultants India Limited Annual Report 2018-19

# Notes forming part of Consolidated Financial Statements NOTE 27 : OTHER INCOME

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
Interest (Gross)			
- Fixed Deposit	141.92	295.20	
- Loans to employees	5.23	7.05	
Other Non-Operating income			
- Dividend Received	7.20	2,047.20	
- Others	417.55	471.35	
Gain on foreign currency transactions	33.90	-	
TOTAL	605.80	2,820.80	

# Notes forming part of Consolidated Financial Statements NOTE 28 : COST OF MATERIALS CONSUMED

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
A. STORES & SPARES			
Opening Stock	1,319.55	1,035.12	
Add: Purchases	4,550.88	9,034.09	
Less: Closing Stock	1,736.23	1,319.56	
Stores & Spares consumed	4,134.20	8,749.65	
B. LOOSE TOOLS			
Opening Stock	-	-	
Add: Purchases	5.43	14.40	
Add: Direct expenses	-	-	
Less: Closing Stock	-	-	
Loose Tools consumed	5.43	14.40	
TOTAL (A + B)	4,139.63	8,764.05	

# Notes forming part of Consolidated Financial Statements

# NOTE 29: CHANGE IN INVENTORIES OF STOCK IN TRADE

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
Stock at Close	204.81	204.81	
Stock at Commencement	204.81	212.78	
Increase / Decrease in stock	-	7.97	









# **NOTE 30: EMPLOYEE BENEFITS EXPENSE**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
Salaries (Including Foreign DA)	21,591.93	16,566.17	
Leave Salary & Pension Contribution	12.78	8.14	
Provident & Other Funds Contribution	1,359.66	1,044.94	
Medical Reimbursement	730.36	647.99	
Staff Welfare including Camp Expenses	388.34	384.26	
Liveries	4.10	6.36	
Performance Related Pay (PRP)	281.93	191.48	
Bonus	8.62	8.61	
Rent for Employee Accomodation:			
Gross:	939.58	662.74	
Less: Recoveries	1.17	3.63	
Leave Salary Encashment	452.67	350.54	
Children Education Allowance	2.31	2.45	
Perks	1,231.25	1,363.46	
Leave Travel Concession	28.09	29.06	
Gratuity	320.59	1,122.76	
Employees Accident Group Insurance	2.91	3.00	
PF Admin Charges	13.87	15.73	
Retired. Employee Medical Scheme	70.81	55.13	
TOTAL	27,438.63	22,459.19	

# Notes forming part of Consolidated Financial Statements

# **NOTE 31: FINANCE COSTS**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest		
- Interest Expense on Term Loans	1,331.50	1,800.96
- Interest Expense on Overdrafts & Other Borrowings	899.94	61.66
Loss on foreign currency transactions	-	35.15
Amortisation Cost	65.95	65.95
TOTAL	2,297.39	1,963.72





**NOTE 32: ADMINISTRATIVE AND OTHER EXPENSES** 

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
Rent	1,330.43	1,134.35	
Rates and Taxes	1,531.78	1,320.53	
Insurance	565.63	322.32	
Bank & Guarantee Charges	401.94	278.11	
Business Promotion	76.82	109.25	
Agency Commission & Sponser Fee	424.88	233.17	
Legal & Professional Charges	245.74	173.77	
Consultancy	276.65	376.15	
Electricity & Water	260.50	250.96	
Telephone, Telex & Postage	188.01	151.20	
Printing & Stationery	176.34	121.76	
Traveling	954.16	676.35	
Advertisement	98.43	93.03	
Books and Periodicals	2.18	1.98	
Seminar & Training	89.90	28.09	
Repairs & Maintenance			
- Plant & Machinery	158.81	184.30	
- Building	118.87	87.36	
- Others	71.67	171.02	
Loss on Currency Translation (Net)	6.91	0.18	
Vehicle Running & Maintenance	527.72	394.99	
Misc. Expenses	309.72	267.52	
Auditors Remuneration			
- Audit Fee	53.20	49.09	
- Taxation Matters	12.68	10.91	
- Other Services Including Certification	2.95	2.95	
- Reimbursement of expenses	0.17	0.98	
Hiring Charges		3.7 0	
- Machinery	57.13	88.05	
- Vehicles	539.89	488.02	
Directors Sitting Fees	1.20	1.54	
Provision for Warranty Period Expenses	4,361.47	3,738.76	
Loss on Sale / Scrapping of Assets	122.36	95.97	
Bad Debts/Advances Written off	161.86	154.91	
Donation	0.92	0.50	
Security & Maintenance	146.24	149.35	
Premium to MPRDC	128.84	122.71	
TOTAL	12.406.00	11 200 12	
TOTAL	13,406.00	11,280.13	













# **NOTE 33: TAX EXPENSES**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
Current Tax	2,658.27	1,251.85	
Provision for Taxation for earlier years	(74.22)	34.48	
Deferred Tax Liability / (Assets)	(952.83)	(353.45)	
TOTAL	1,631.22	932.88	



FINAL FILE\_statement of account.indd 215





11/29/2019 8:32:54 PM



Other notes forming part of the Consolidated Financial Statements for the year ended March 31,2019 (All amounts are in Rupees in Lakhs, unless otherwise stated)

# 34. PRINCIPLES OF CONSOLIDATION:

The Consolidated Financial Statements consist of Telecommunications Consultants India Limited ("the Company") and its subsidiary companies (collectively referred to as "the Group"). The Consolidated Financial Statements have been prepared on the following basis:

- The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions as per Ind. AS 110 - "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2015.
- 2. In case of Joint Venture, share of profit of jointly controlled entities booked in statement of Profit and Loss by using equity method. The list of Joint Venture companies is stated in Note No.37. Unaudited financial statements of Intelligent Communications Systems India Limited, and United Telecom Limited, being Joint Ventures, have been considered for booking of share of profit in statement of Profit and Loss. These have been consolidated on the basis of Unaudited Financial Results drawn up to 31.03.2019, certified by the management of the respective companies.
- In case of foreign subsidiaries, being integral operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is charged in the Statement of Profit & Loss.
- The Financial Statements of the Subsidiaries used in the consolidation are drawn up to 31st March, 2019. The list of Subsidiary Companies which are considered in the consolidation are stated in Note No. 35.
- Unaudited financial statements of TCIL Oman LLC and TCIL USA Inc., being Subsidiaries, have been considered for consolidation. These have been consolidated on the basis of Unaudited Financial Results drawn up to 31.03.2019, as certified by the management.

### **GROUP INFORMATION** 35.

Information about subsidiaries The consolidated financial statements of the Group include:

S.No	Name of Entity	Country of Incorporation	Proportion of own- ership (%) as at 31 March 2019	Proportion of ownership (%) as at 31 March 2018	Proportion of ownership (%) as at 31 March 2017
1	TCIL Oman LLC, Oman	Oman	70%	70%	70%
2	TCIL Bina Toll Road Ltd.	India	100%	100%	100%
3	TCIL Lakhnadone Toll Road Ltd.	India	100%	100%	100%
4	Tamilnadu Telecommunications Ltd.	India	49%	49%	49%
5	TCIL USA INC	USA	100%	-	-







www.tcil-india.com 217

11/29/2019 8:32:54 PM



# 36. SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTEREST ('NCI')

S.No	Description	Country	31-Mar-19	31-Mar-18
1	TCIL Oman LLC, Oman	India	30%	30%
2	Tamilnadu Telecommunications Ltd.	India	51%	51%

# Consolidated position w.r.t non-controlling interest

Description	31-Mar-19	31-Mar-18
Accumulated balances of material non-controlling interest:		
TCIL Oman LLC, Oman	81.26	76.42
Tamilnadu Telecommunications Ltd.	(5,212.81)	(4,400.23)
Profit/(loss) allocated to material non-controlling interest:		
TCIL Oman LLC, Oman	0.01	0.11
Tamilnadu Telecommunications Ltd.	(812.58)	(724.12)

The summarised financial information of the subsidiaries, before intragroup eliminations are set out below:

# TCIL Oman LLC, Oman

# **Balance** sheet

Description	31-Mar-19	31-Mar-18
Non-current assets		
Current assets	272.27	255.11
Less:Current liabilities	1.41	0.36
Total equity	270.86	254.75
Attributable to:		
Equity holders of parent	189.60	178.33
Non-controlling interest	81.26	76.42

# Statement of profit and loss

Description	31-Mar-19	31-Mar-18
Revenue and other income	1.00	0.61
Administrative and Other Expenses	1.05	1.03
Finance costs	-	-
Depreciation		-
Profit/(Loss) before tax	(0.05)	(0.42)
Income tax and deferred tax		-
Profit for the year from continuing operations	(0.05)	(0.42)
Other comprehensive income	0.07	-
Total comprehensive income	0.02	(0.42)
Attributable to non-controlling interests(forex gain/loss)	0.01	(0.13)

FINAL FILE\_statement of account.indd 217



# Tamilnadu Telecommunications Ltd. Balance sheet

Description	31-Mar-19	31-Mar-18
Non-current assets	896.90	928.77
Current assets	1,165.92	1,245.62
Non-Current liabilities	(1,488.29)	(1,430.48)
Current liabilities	(10,796.77)	(9,372.69)
Total equity	(10,222.24)	(8,628.78)
Attributable to:		
Equity holders of parent	(5,009.43)	(4,228.55)
Non-controlling interest	(5,212.81)	(4,400.23)

# Statement of profit and loss

Description	31-Mar-19	31-Mar-18
Revenue and other income	5.46	164.54
Operating Cost	498.79	626.14
Finance costs	896.65	844.20
Depreciation	29.94	30.26
Other expenses	150.63	102.32
Profit/(loss) before exceptional items and tax	(1,570.55)	(1,438.38)
Exceptional Items	-	2.15
Profit/(Loss) before tax	(1,570.55)	(1,440.53)
Income tax and deferred tax	-	-
Profit for the year from continuing operations	(1,570.55)	(1,440.53)
Other comprehensive income	(22.92)	20.55
Total comprehensive income	(1,593.47)	(1,419.98)
Attributable to non-controlling interests	(812.58)	(724.12)

# 37. INFORMATION ABOUT JOINT ARRANGEMENTS

The Group has interests in following individually joint ventures that are accounted for using the equity method. The following disclosure pertains to all of these joint ventures together:

S.No	Name of Entity	Country of Incorporation	Proportion of owner- ship (%) as at 31 March 2019	Proportion of owner- ship (%) as at 31 March 2018
1	Telecommunications Consultants Nigeria Ltd.	Nigeria	40%	40%
2	Bharti Hexacom Ltd.	India	30%	30%
3	TBL International Ltd.	India	44.94%	44.94%
4	Intelligent Communications Systems India Ltd.	India	36%	36%
5	United Telecom Ltd., Nepal	Nepal	26.66%	26.66%

# Summarised financial information for joint ventures

The tables below provide summarised financial information for those joint ventures that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant ass ciates and joint ventures

Description	31-Mar-19	31-Mar-18
Share of profit/(loss) from joint ventures	(21,564.88)	(5,639.92)









Summarised financial information for all material joint ventures Summarised Balance sheets

Particulars	Bharti Hexacom Ltd.	com Ltd.	TBL Intern	TBL International Ltd.	Intelligent Communications Systems India Ltd.	Intelligent Communica- tions Systems India Ltd.	United Tele	United Telecom Limited
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Cash and cash equivalents	240.00	7,740.00	2.98	7.10	332.91	557.98	14.52	130.78
Other assets	99,810.01	81,570.00	327.60	377.62	9,481.41	9,065.02	2,169.35	2,191.64
Current assets (A)	100,050.01	89,310.00	330.58	384.72	9,814.32	9,623.00	2,183.87	2,322.42
Non-current assets (B)	1,034,020.00	945,390.00	49.72	51.60	105.57	86.41	2,578.67	2,767.35
Current financial liabilities (excluding trade payables)	326,790.00	213,030.00	0.50	3.00	2,136.72	2,771.05	5,631.52	1,749.07
Trade payables	159,130.00	98,110.00	-	1.91	2,822.11	2,272.13	1,856.61	1,581.46
Other current liabilities	39,020.00	48,350.00	4.32	9.71	1,982.16	2,111.23	1,600.28	533.57
Current liabilities (C)	524,940.00	359,490.00	4.82	14.62	6,940.99	7,154.41	9,088.41	3,864.10
Non-current financial liabilities (excluding trade payables)	29,890.00	22,320.00		ı		-		1
Trade payables				ı	267.21	267.21		-
Other Non current liabilities	2,480.00	3,960.00	4.64	4.33	82.83	61.84	_	1
Non-current liabilities (D)	32,370.00	26,280.00	4.64	4.33	350.04	329.05		ı
Net assets (A+B-C-D)	576,760.01	648,930.00	370.84	417.37	2,628.86	2,225.95	(4,325.87)	1,225.67

**(** 

Consolidated Accounts



# Consolidated Accounts

# Summarised Statement of profit and loss

	Bharti Hexacom	cacom Ltd.	TBL Intern	TBL International Ltd.	Intelligent (tions Syster	Intelligent Communica- tions Systems India Ltd.	United Telec	United Telecom Limited
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Revenue	361,360.00	440,830.00	0.88	19.04	16,361.35	14,830.75	20.05	187.53
Other income	630.00	980.00	20.90	22.44	135.60	172.66		21.94
Total revenue (A)	361,990.00	441,810.00	21.78	41.48	16,496.95	15,003.41	20.05	209.47
Depreciation and amortisation	100,870.00	86,870.00	0.35	1.01	7.36	5.54	613.80	1,756.27
Employee benefit expense	6,750.00	8,290.00	23.21	24.82	411.59	384.64	120.94	176.41
Other finance costs	24,750.00	13,450.00		-	6.84	13.15		'
Other expense	341,900.00	350,810.00	44.72	12.96	15,416.82	13,970.77	5,080.65	4,292.38
Total expenses (B)	474,270.00	459,420.00	68.28	38.79	15,842.61	14,374.10	5,815.39	6,225.06
Profit before $tax (C = A-B)$	(112,280.00)	(17,610.00)	(46.50)	2.69	654.34	629.31	(5,815.39)	(6,015.59)
Tax expense (D)	(40,080.00)	(6,420.00)	0.04	1.26	231.08	263.27	66.99	1
Profit for the year $(E = C-D)$	(72,200.00)	(11,190.00)	(46.54)	1.43	423.26	366.04	(5,748.40)	(6,015.59)
Other comprehensive income (F)	30.00	20.00		-		0.98		'
Total comprehensive income (E-F)	(72,170.00)	(11,170.00)	(46.54)	1.43	423.26	367.02	(5,748.40)	(6,015.59)
	30%	30%	44.94%	44.94%	36%	36%	26.66%	26.66%





# **38. FAIR VALUE MEASUREMENTS**

# A Financial assets and liabilities

The carrying amounts and fair values of financial instruments by class are as follows:

As at March 31, 2019	Fair value through profit & loss	Fair value through other comprehensive income	Amortised cost
Financial Assets			
(i) Investments	-	-	174,141.05
(ii) Trade receivables	-	-	151,253.90
(iii) Cash and cash equivalents	-	-	13,118.28
(iv) Other bank balances	-	-	323.51
(v) Loans	-	-	4,011.55
(vi) Others financial assets	-	-	0.12
Total	-	-	342,848.41
Financial Liabilities			
(i) Borrowings	-	-	25,062.33
(ii) Trade payables	-	-	150,882.84
(iii) Other financial liabilities	-	-	51,300.22
Total	-	-	227,245.39

As at March 31, 2018	Fair value through profit & loss	Fair value through other compre- hensive income	Amortised cost
Financial Assets			
(i) Investments	-	-	195,705.98
(ii) Trade receivables	-	-	108,738.85
(iii) Cash and cash equivalents	-	-	16,703.68
(iv) Other bank balances	-	-	338.18
(v) Loans	-	-	3,514.03
(vi) Others financial assets	-	-	0.12
Total	-	-	325,000.84
Financial Liabilities			
(i) Borrowings	-	-	18,272.66
(ii) Trade payables	-	-	124,905.26
(iii) Other financial liabilities	-	-	37,934.40
Total	-	-	181,112.32



# Telecommunications Consultants India Limited Annual Report 2018-19

# B Fair values hierarchy

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

# The different levels of fair value have been defined below:

Level 1: Quoted prices for identical instruments in an active market;

**Level 2:** Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

**Level 3:** Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

# B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

As at March 31, 2019	Level 1	Level 2	Level 3
			174 141 05
Investments	-	-	174,141.05

As at March 31, 2018	Level 1	Level 2	Level 3
Investments	-	1	195,705.98

# Valuation process and technique used to determine fair value

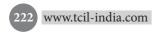
In order to arrive at the fair value of unquoted investments, the Group obtains independent valuations. The techniques used by the valuer are as follows:

- a) Asset approach Net assets value method
- b) Income approach Discounted cash flows ("DCF") method
- c) Market approach Enterprise value/Sales multiple method

# B.2 Fair value of instruments measured at amortised cost

	As at March 31, 2019		As at 2	March 31, 2018
	Carrying value Fair Value		Carrying value	Fair Value
Investment	174,141.05	174,141.05	195,705.98	195,705.98

The management assessed that fair value of cash and cash equivalents, trade receivables, security deposits, loan to related parties, other financial assets, short term borrowings, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.







### **39.** FINANCIAL RISK MANAGEMENT

# Risk management framework

The Group's activities expose it to market risk, liquidity risk and credit risk. The management has the overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

# A. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

### A.1 Credit risk management

The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- A: Low credit risk on financial reporting date
- B: Moderate credit risk
- C: High credit risk

FINAL FILE statement of account indd 223

The Group provides for expected credit loss based on the following:

Asset Group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	12 month expected credit loss
Moderate credit risk	Trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss
High credit risk	Trade receivables and other financial assets	Life time expected credit loss or fully provided for

Credit rating	Particulars	As at March 31, 2019	As at March 31, 2018
A: Low credit risk	Cash and cash equivalents	13,118.28	16,703.68
	Other bank balances	323.51	338.18
	Loans	4,011.55	3,514.03
	Other financial assets	0.12	0.12
B: Medium credit risk	Trade receivables	151,253.90	108,738.85
C: High credit risk	Trade receivables	4,012.91	3,505.62



11/29/2019 8:32:55 PM

Consolidated Accounts



# Telecommunications Consultants India Limited Annual Report 2018-19

# Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

# Trade and other receivables

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by the Group, and incorporates this information into its credit risk controls. Where available at reasonable cost external credit ratings and/or reports on customers and other counterparties are obtained and used. The Group's policy is to deal only with creditworthy counterparties.

The Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various industries and geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

Trade receivables are provided for or impaired on expected credit loss methor and /or estimated irrecoverable amounts, determined by reference to past default experience in addition to specific provision made on identified customers. No interest is charged on trade receivables as at the reporting date.

# Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes loans and advances to related parties and employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

# A.2 Expected credit losses for financial assets other than trade receivables

The Group recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Group has defined percentage of provision by analysing historical trend of default based on the criteria defined above and such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables (other than those where default criteria are met).







# As at March 31, 2019

Particulars	Estimated gross carrying amount at default	Expected probabili- ty of default	Expected credit losses	Carrying amount net of impairment provision
Trade Receivable	155,266.81	2.58%	4,012.91	151,253.90
Cash and cash equivalents	13,118.28	0.00%	-	13,118.28
Other bank balances	323.51	0.00%	-	323.51
Loans	4,011.55	0.00%	-	4,011.55
Other financial assets	0.12	0.00%	-	0.12

# As at March 31, 2018

Particulars	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Trade Receivable	112,244.47	3.12%	3,505.62	108,738.85
Cash and cash equivalents	16,703.68	0.00%	-	16,703.68
Other bank balances	338.18	0.00%	-	338.18
Loans	3,514.03	0.00%	-	3,514.03
Other financial asset	0.12	0.00%	-	0.12

Reconciliation of loss allowance	
Loss allowance on 31 March 2018	3,505.62
Impairment loss recognised/(reversed) during the year	614.03
Amounts written off	106.74
Loss allowance on 31 March 2019	4,012.91

# B. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly.

# Financing arrangements

The Group has access to the following undrawn borrowing facilities at the end of reporting period:

Floating rate	As at 31 March 2019	As at 31 March 2018
Expiring within one year (cash credit and other facilities)	9,603.56	6,649.92

Management monitors rolling forecasts of the liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.







# **B.1 Contractual Maturities of financial liabilities**

The tables below analyse the Group's financial liabilities based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

March 31, 2019	Less than 1 year	1-2 years	2-3 years	3-5 years	More than 5 years	Total
(i) Borrowings						
	18,060.23	1,695.00	2,170.00	3,137.10	-	25,062.33
(ii) Trade payables						
	150,882.84	-	-	-	-	150,882.84
(iii) Other financial liabilities	50,263.05	164.45	0.02	0.05	872.65	51,300.22
					0, 0, 0	0 = ,0 0 0 0 0 =
Total	219,206.12	1,859.45	2,170.02	3,137.15	872.65	227,245.39
Ml. 21, 2010	Less than	1-2	2-3	3-5	More than	Total
March 31, 2018	1 year	years	years	years	5 years	Total
(i) Borrowings						
	3,317.79	4,564.93	1,695.00	4,447.00	860.43	14,885.15
(ii) Trade payables						
	124,905.26	-	-	-	-	124,905.26
(iii) Other financial						
liabilities	40,814.08	193.75	0.02	0.05	872.68	41,880.58
Total	169,037.13	4,758.68	1,695.02	4,447.05	1,733.11	181,670.99

# C. Market risk

# (I) Interest Rate risk

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2019, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. Other borrowings are at fixed interest rates.

Group's exposure to interest rate risk on borrowings is as follows

Particulars	As at March 31, 2019	As at March 31, 2018
Variable rate	13,569.97	2,856.36
Fixed rate	11,492.36	15,406.77
Total	25,062.33	18,263.13

The following table illustrates the sensitivity of profit and loss to a possible change in interest rates. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates.

Interest sensitivity*	As at March 31, 2019	As at March 31, 2018
Interest rates - increase by 100 basis points (31 March 2017: 100 basis points)	(88.28)	(18.58)
Interest rates - decrease by 100 basis points (31 March 2017: 100 basis points)	88.28	18.58

<sup>\*</sup> Holding all other variables constant









# Foreign currency risk

Forex exposure	As at 31 March 2019		As at 31 March 2018	
Total exposure	Foreign Cur- rency	INR	Foreign Cur- rency	INR
Financial assets				
Trade receivables				
USD	24,522.29	16.97	24,522.29	15.96
Bank current account/call deposit				
USD	20,253.81	14.01	23,859.54	15.53
GBP	77.49	0.07	77.42	0.07
EURO	5,274.86	4.10	5,365.54	4.29

Financial liabilities				
Trade payables				
USD	3,396,756.76	2,350.64	3,992,664.76	2,598.02
Loans (Banks)				
USD	7,798,042.20	5,396.44	1,307,288.73	850.65
Net exposure				
USD	(11,150,022.86)	(7,716.10)	(5,251,571.66)	(3,417.18)
GBP	77.49	0.07	77.42	0.07
EURO	5,274.86	4.10	5,365.54	4.29

The following significant exchange rates have been applied:

Crammon are	Year end spot rate			
Currency	As at 31 March 2019	As at 31 March 2018		
USD	69.20	65.07		
GBP	90.488	91.265		
EURO	77.69	80.04		

# Sensitivity analysis of change in foreign currency rates on profit/(loss) after tax

Chamonor	Profit for the year +200bps		Profit for the year -200bps	
Currency	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
USD	(100.40)	(44.46)	100.40	44.46







# Telecommunications Consultants India Limited Annual Report 2018-19

Currency	Profit for the year +1000bps		Profit for the y	ear -1000bps
	As at March 31, 31, 2019 2018		As at March 31, 2019	As at March 31, 2018
GBP	0.0046	0.0046	(0.0046)	(0.0046)

Currency	Profit for the year +1000bps		Profit for the year -1000bps	
,	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
EURO	0.27	0.28	(0.27)	(0.28)

# 40. CAPITAL MANAGEMENT POLICIES

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern as well as to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group monitors capital on the basis of the carrying amount of equity plus its subordinated loan, less cash and cash equivalents as presented on the face of the statement of financial position recognised in other comprehensive income.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The amounts managed as capital by the Group are summarised as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Non Current Borrowings	11,479.30	15,416.30
Current Borrowings	13,583.03	2,856.36
Cash and cash equivalents	(13,118.28)	(16,703.68)
Net debt	11,944.05	1,568.98
Total equity	220,437.15	240,218.14
Net debt to equity ratio	0.05	0.01

# 41. RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES

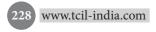
# A. Net debt reconciliation

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents	13,118.28	16,703.68
Less: Current borrowings	13,583.03	2,856.30
Less: Non-current borrowings	11,479.30	15,416.30
Net Debt	11,944.05	1,568.98

# B. Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

Particulars	Long term borrowings	Short term borrowings	Cash & cash equivalents	Total
Net debt as at 1 April 2018	15,416.30	2,856.36	16,703.68	1,568.98
Cash movement:				-
- Proceeds	-	10,726.67	-	10,726.67
- Repayment	(3,937.00)	-	-	(3,937.00)
- Interest paid	(1,331.50)	(899.94)	-	(2,231.44)
- Movement in cash and bank	-	-	(3,585.40)	3,585.40
Other non-cash movements				
- Interest expenses	1,331.50	899.94	-	2,231.44
Net debt as at 31 March 2019	11,479.30	13,583.03	13,118.28	11,944.05







# ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY.

Name of the First ton		Net assets, i.e. total assets minus total Liabilities		Share in profit or loss	
Name of the Entity	As % of consolidated net assets	Amount	As % of consolidated Profit & Loss	Amount	
HOLDING COMPANY					
Telecommunications Consultants India Limited	132.79%	62708.57	1,519.85%	3140.57	
SUBSIDIARIES:					
Indian					
Tamil Nadu Telecommunications Limited	(21.65)%	(10222.24)	(771.13)%	(1593.5)	
TCIL Bina Toll Road Limited	(4.46)%	(2106.79)	(252.56)%	(521.88)	
TCIL Lakhnadone Toll Road Limited	3.51%	1657.64	(2.81)%	(5.81)	
Foreign					
TCIL OMAN LLC	0.57%	270.86	(0.01)%	(0.02)	
TCIL USA INC	0.10%	47.58	(0.12)%	(0.25)	
Minority Interests in all Subsidiaries	(10.86)%	(5131.55)	(393.22)%	(812.57)	
	100.00%	47224.05	100%	206.54	

## STATEMENT PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 OF THE 43. COMPANIES ACT 2013, READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014 IN THE PRESCRIBED FORM AOC-1 RELATING TO SUBSIDIARY COMPANIES:

Particulars	Tamil Nadu Telecommunications Ltd.	TCIL OMAN LLC	TCIL Bina Toll Road Ltd.	TCIL Lakhnadone Toll Road Ltd.	TCIL USA INC
Share Capital	4,567.62	269.70	1,957.00	2,311.00	47.83
Reserves & Surplus	(14789.86)	1.16	(4063.79)	(653.28)	(0.24)
Total Assets	2062.82	272.27	11,069.57	8,876.02	48.58
Total Liabilities	12285.06	1.41	13176.36	7218.38	1.00
Investments	-	-	-	-	
Turnover	5.46	1.00	524.56	668.78	-
Profit before Taxation	(1570.55)	(0.05)	(521.87)	(5.81)	(0.25)
Provision for Taxation	-	-	-	-	
Profit after Taxation	(1570.55)	(0.05)	(521.88)	(5.81)	(0.25)
Proposed Dividend	-	-	-	-	
% of Holding	49 %	70%	100%	100%	100%

www.tcil-india.com 229





11/29/2019 8:32:56 PM



### 44. DISCLOSURE IN RESPECT OF STATEMENT OF CONTINGENT LIABILITIES:

Particulars	As on March 31, 2019	As on March 31, 2018
Income Tax matters not acknowledged as debts [see (i) below]	1,888.07	1,674.59
Sales Tax matters not acknowledged as debts [see(ii)below]	130.57	19.38
Sales Tax matters not acknowledged as debts [see(iiI)below	5,408.41	-
Disputed Claims not acknowledged as debts [see(iii) below]	23,994.60	27,225.40
Liabilities on Terminated packages	824.00	824.00

# (i) Income Tax Matters:

Provisions have been made for the current Income Tax as per the provisions of Tax laws prevailing in India and abroad and are based on the decision of the Appellate Authorities. The assessment of the company u/s 143(3) of Income Tax Act, 1961 has been completed up to AY 2016-17. However, no provision is considered necessary in respect of issues, which are subject matter of appeals, filed with Appellate Authorities (either by the company or by the revenue department).

# (ii) Sales Tax:

A demand has been raised by Uttarakhand Trade Tax Department for the Assessment Year 2002-03, 2003-04, 2005-06 and 2006-07 which has not been acknowledged by the Company as debt in view of Judgment of Uttarakhand High Court for the Year 1997-98 to 2001-02 in favor of the Company. The Company is in appeal against the said demand with Appellate Authority.(Rs. 19.38 lakh)

A demand has been raised by Commercial Tax Department, Jabalpur for FY 2014-15 & FY 2015-16. The company is in appeal against said demand with appellate Authority (Rs.111.19 Lakhs).

# (iii) Service Tax:

During the year, the Company filed writ petition in the Hon'ble Delhi High Court, against the applicability of Service Tax on M/s BSNL in NSF-OFC project. Office of Commissioner of CGST (Audit), New Delhi has raised an observation demanding Rs.5,408.41 Lakhs as service tax liability on services provided to M/s BSNL in the said project. The Hon'ble Delhi High Court has stayed against the recovery of the demand pending disposal of the writ petition.

# (iv) Disputed Claims:

No provision has been made for disputed claims and interest thereon, which are in the course of adjudication either before any court of law or under any arbitrator as the Company has not acknowledged these claims as debts. Similarly, counter claims filed by the Company as on March 31, 2019 amounting to Rs. 4,805.61Lakhs (As on March 31, 2018 - Rs 6,344.53 Lakhs) has also not been accounted for. It is not practically possible to disclose the uncertainties relating to any outflow.

# IV) In respect of one of the Subsidiary:

Commercial Tax Department had demanded a sum of Rs 186.09 lakhs as Additional Sales Tax in respect of Financial Year 2000-2001 and 2001-2002 (up to November 2001). The Subsidiary company has obtained a Stay from Madras High Court against the collection of above demand by depositing a sum of Rs 75 lakhs with Commercial Tax Department as directed by the High Court while granting the stay. As the demand is disputed, the same is not provided for in the accounts. The case came up for hearing during November, 2011and directions were issued to post the case along with the writ appeal before the Bench in another similar case where the judgment is in favor of the assesses. The writ petitions were heard by High Court, Madras, on 02-09-2015 and on 09-09-2015. On hearing







b. The Sales Tax department has demanded a sum of Rs. 22.95 lakhs during the financial year 2006-07 for non submission of "C" Forms from BSNL / MTNL pertaining to AY 2001-02, 2002-03 and 2003-04. The Govt. has exempted "C" forms in respect of inter-state sales to BSNL / MTNL. The Subsidiary Company has represented to the Department and also referred the matter to BSNL / MTNL. Next hearing date is not yet fixed.

the argument single Judge of High court Madras reserved the judgment. Orders are still not given by the Court.

c. The Custom Authority has demanded an amount of Rs. 31.55 Lakhs towards difference in classification of Optical Fiber during the year 2006-07. However the order of the Commissioner of Customs has come in favour of the Subsidiary Company during the year 2009-10 dropping the proceedings. Department has gone for appeal against the order. The subsidiary company has filed the Counter. The Tribunal vide its Final Order dated 19/12/2017 remanded the matter back to the Commissioner for fresh decision after the outcome of the case pending in Supreme Court on the issue of jurisdiction of DRI to issue the notice. As such, the issue has to be argued and decided afresh.

# 45. CONSOLIDATED DETAILS OF GUARANTEE GIVEN:

Particulars	As on March 31, 2019	As on March 31, 2018
A.		
Bank Guarantee Outstanding	70795.01	47,793.23
Expired Bank Guarantees	5040.06	5,666.75
Bank Guarantees given on behalf of TTL	409.88	432.90
Corporate Guarantees Expired	318.87	318.87
B. Letter of Credits	7150.74	7,630.51

**46.** Balances of Debtors and Creditors of the Group including BSNL, MTNL, MPRRDA, PGCIL and others are subject to confirmation and reconciliation.

# 47. (i) Consolidated Details of Foreign Currency (Unhedged) Exposure:

	As on 31	st March 2019	As on 31	st March 2018
Particulars	Rupees (In lakhs)	Foreign Currency	Rupees (In lakhs)	Foreign Currency
Import Creditors(Unhedged)	2,350.64	USD 33,96,756.76	2598.02	USD 39,92,664.76
Unsecured Loans (Banks)	5,396.44	USD 77,98,042.20	850.65	USD 13,07,288.73



# (ii) Consolidated Details of Amount receivable in Foreign Currency (Unhedged) on account of the following:

	As on 31	st March 2019	As on 31	st March 2018
Particulars	Rupees (In lakhs)	Foreign Currency	Rupees (In lakhs)	Foreign Currency
Export Debtors	16.97	USD 24,522.29	15.96	USD 24,522.29
	14.01	USD 20,253.81	15.53	USD 23,859.54
Call Deposit	0.07	GBP 77.49	0.07	GBP 77.42
/Current Account with Banks	4.10	EUR 5,274.86	4.29	EUR 5,365.54

**iii Overseas Projects** / **Branches**: Project periods typically range from 1 to 3 years. Payables/ Receivables being in the same currency, unhedged portion represents surplus to be repatriated to India after the completion of the project.

# 48. A) Consolidated Details of Foreign Currency (Unhedged) Exposure:

Description	Year Ended 31-03-2019	Year Ended 31-03-2018
Inflow		
Amount repatriated from Foreign Projects	6,150.33	2,269.61
Expenditure		
Import on CIF Basis(Traded Goods)	NIL	1893.93
Contractual Payments	366.31	84.49
Others	134.21	91.70

# B) Consumption of imported and indigenous materials consumed:

Item		r Ended 03-2019		or Ended 03-2018
	Amount	% of total consumption	Amount	% of total consumption
a) Imports:				
Raw Materials	-	-	0.14	-
Stores & Spares	-	-	0.78	0.01
Loose Tools	-	-	-	-
b) Indigenous:				
Raw Materials	-	-	89.05	1.01
Stores & Spares	4,131.39	99.87	8,723.18	98.82
Loose Tools	5.43	0.13	14.40	0.16
TOTAL	4136.82	100.00	8,827.55	100.00





# C) In compliance of Ind AS 21, the company has following Functional & Presentation currency:

Division	Functional Currency	Presentation Currency
TCIL	INR	INR
TCIL- Mauritius	MUR	INR
TCIL – Kuwait	KD	INR
TCIL - KSA	SAR	INR
TCIL – Oman	OR	INR
TCIL – Sierra Leon	SLL	INR
TCIL – Algeria	DZD	INR
TCIL – Ethiopia	ETB	INR
TCIL – Botswana	BWP	INR
TCIL – Nepal	Nepalese Rupee	INR
TCIL – Bhutan	NU	INR
TCIL – UAE	AED	INR
TCIL – Qatar	QAR	INR
TCIL – Sri Lanka	LKR	INR
TCIL - Macedonia	MKD	INR

- 49. (a) In Kuwait, transactions including purchase of assets in connection with the contracts have been carried out in the name of Agents/JV companies. The written down value (WDV) of Fixed Assets in the name of Agents/JV companies as of March 31, 2019 amounts to Rs. 213.23 Lakhs (As on March 31, 2018 - Rs. 212.66 Lakhs).
  - (b) The company has undertaken three projects on Built- Operate- Transfer (BOT) basis as per the Concession Agreement with the government authorities. Of the three, two are being operated through separate SPV's. Under the agreements, concession periods for toll collection or annuity payments range from 13 to 26 years. At the end of the said concession period, the entire facilities are to be transferred to the concerned government authorities.
  - (c) The Company is executing the Project for Supply, Installation and Maintenance Services of Hardware, Peripheral devices, operating system and connectivity for Rural information & Communication Technology (ICT) Solution for Department of Posts (DOP), Govt. of India. The payment by DOP to the Company is linked to Milestones. The Unbilled debtors as on 31.03.2019 include Rs. 24,185 Lakhs (Previous year Rs. 21,998 Lakhs in respect of this Project due to payment Milestones.
- 50. Investments in ventures in India and outside India are classified as long term investments and are valued as per Accounting Policy No.1.12. During the year, the company has received dividend of Rs. 7.20 Lakhs from Joint Venture Companies.
- (a) The company made provision for all Regular CDA employees towards the 7th Pay Revision up to 2017-18 for Rs. 43.07 Lakhs. Further provision of Rs 14.13 Lakhs has made during Financial Year 2018-19.
  - (b) The company is planning to introduce Defined Contribution Superannuation Pension Scheme for its regular employee's w.e.f. 01-04-2014. The company shall be contributing 5% of salary (Basic and Dearness Allowance) towards employer contribution. The company made provision up to 2017-18 for Rs. 996.33 Lakhs. Further provision of Rs 200 Lakhs has made during F.Y. 2018-19







# 52. **DISCLOSURE AS PER INDAS-19**

The Consolidated status of "Gratuity Funds", "Post Retirement Medical Scheme" and "Leave Encashment" based on actuarial valuation are as follows:

**(** 

S. No.	Particulars	Gratuity	Gratuity	Leave Encashment	Post Retirement Medical Scheme
		(Funded)	(Unfunded)	(Unfunded)	(Unfunded)
1	Change in present value of obligations				
	Present value of obligations as at 01.04.2018	3,394.21	224.46	1,705.94	944.12
	Interest cost	254.57	17.62	128.08	70.81
	Current service cost	190.20	11.67	332.38	-
	Benefits paid	(454.45)	(0.05)	(431.72)	(36.81)
	Actuarial (gain)/loss on obligations	184.24	22.92	65.32	(24.33)
	Present value of obligations as at 31.03.2019	3,568.76	276.62	1,800.00	953.79
2	Changes in the fair value of plan assets				
	Fair value of plan assets as at 01.04.2018	2,307.67	16.53	-	-
	Expected return on plan assets	173.08	-	-	-
	Contribution	1,255.43	0.05		-
	Benefits paid	(454.45)	-	-	-
	Actuarial gain/(loss) on plan assets	-	-		-
	Return on plan assets excluding interest income	52.83	1.30	-	-
	Fair value of plan assets as at 31.03.2019	3,334.56	17.88	-	-
3	Fair value of plan assets			-	-
	Fair value of plan assets as at 01.04.2018	2,307.67	1653	-	-
	Actual return on plan assets	173.08	1.30	-	-
	Contributions	1,255.43	0.05	-	-
	Benefits paid	(454.45)	-	-	-
	Return on plan assets excluding interest income	52.83	-	-	-
	Fair value of plan assets as at 31.03.2019	3,334.56	17.88	-	-
	Funded / (Unfunded) status	(234.20)	(276.62)	(1,800.00)	(953.79)
4	Actuarial gain /loss recognized				
	Actuarial (gain)/Loss as on 01.04.2018		-		(24.33)
	Return on Plan assets other than amounts included in net interest cost	(52.83)	-	-	-
	Actuarial (gain)/Loss on obligations		8.85	68.87	(24.33)
	Actuarial (gain)/Loss due to Experience Variance	184.24	14.07	(3.56)	-
	Actuarial (gain)/Loss recognized as on 31.03.2019	131.41	22.92	65.31	(24.33)





	_
44	•
7	₹.

S. No.	Particulars	Gratuity	Gratuity	Leave Encashment	Post Retirement Medical Scheme
		(Funded)	(Unfunded)	(Unfunded)	(Unfunded)
5	Amounts to be recognized in the Balance sheet and Statement of Profit & Loss			-	
	Present value of obligations as at 31.03.2019	3,568.76	294.50	1,800.00	953.79
	Fair value of plan assets as at 31.03.2019	3,334.56	17.88	-	-
	Funded status	(234.20)	(276.62)	(1,800.00)	-
	Net assets/ (liability) recognized in balance sheet	(234.20)	(276.62)	(1,800.00)	(953.79)
6	Expenses recognized in the Statement of Profit & Loss				
	Current service cost	190.20	11.67	332.39	-
	Interest cost	254.57	17.62	128.09	70.81
	Expected return on plan assets	(173.08)	-	-	
	Net actuarial (gain)/loss recognized in the year	131.40	-	65.32	(24.33)
	Expenses recognized in the Statement of Profit & Loss	403.09	29.29	525.80	46.48
7	Break-up of Actuarial gain/loss			-	
	Actuarial (gain)/loss on arising from change in demographic assumption	-		-	-
	Actuarial (gain)/loss on arising from change in financial assumption	-	8.85	1.42	-
	Actuarial (gain)/loss on arising from experience adjustment	131.40	14.07	63.89	(24.33)
8	Maturity profile of Defined Benefit Obligation				
	1st Year	79.71	6.03	55.34	35.76
	2nd Year	750.28	6.38	518.12	33.35
	3rd Year	426.05	6.76	277.40	34.33
	4th Year	386.71	7.17	262.56	35.64
	5th Year	253.96	17.66	151.96	36.24
	above 5 year	3239.39	535.30	1,505.75	456.78

•

# 53. SEGMENT REPORTING AS PER IND. AS 108

The Group operating segments are organized and managed separately through the respective directors, executive directors and group general managers, according to the nature of products and services provided with each segment representing a strategic business unit. These business units are reviewed by respective directors of the company.

The amounts reported to directors are based on the accounting principles used in the preparation of financial statements as per Ind. AS. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss from operating activities before exceptional items. Accordingly, finance costs / income, non-operative expenses and exceptional items are not allocated to individual segment.

Inter segment pricing and terms are reviewed and changed by the management to reflect changes in market conditions and changes to such terms are reflected in the period change occurs.

Segment assets comprise assets directly managed by each segment and primarily include receivables, property, plant and equipment, capital work-in-progress, intangible assets, intangible assets under development, inventories, cash and cash equivalents, inter-segment assets. Segment liabilities primarily include operating liabilities. Segment capital expenditure comprises additions to property, plant and equipment and intangible assets.

The segment composition of the Group is identified as under:-

- Telecommunications Projects
- Civil /Infrastructure Projects
- Consultancy and Service Contracts
- · Trading Activities.
- Other Operating Revenue.

236 www.tcil-india.com

Segments Revenue, Results, Assets and Liabilities include amounts identified to each segment. Other un-allocable Expenditure includes Revenue and Expenses which are not directly identifiable to the individual segments.



Consolidated Accounts







# •

**Operating Segment Information:**Company's segment information pursuant to IndAS-108 on 'Operating Segment' issued by the Institute of Chartered Accountants of India as at and for the year ended 31st March, 2019 is as follows:-

**(** 

	Particulars	Telecommunic Projects	Telecommunications Projects	Civil / Infi Proj	Civil / Infrastructure Projects	Consultancy and Service contracts	ncy and ontracts	Trading 6	Trading activities	Others	ers	Unallocable	cable	TO	TOTAL
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
_	A. SEGMENT REVENUE														
	External Turnover	65,411.88	45,562.80	28,739.96	20,854.40	48,048.08	34,309.78	18,791.50	21,333.41	1,824.12	2,313.64		,	162,815.54	124,374.03
	Inter Segment Turnover	•	-	-	1	-	1	-	-	-	-	-	-	-	1
	Total	65,411.88	45,562.80	28,739.96	20,854.40	48,048.08	34,309.78	18,791.50	21,333.41	1,824.12	2,313.64	•	1	162,815.54	124,374.03
2	Segment Result before Interest and Taxes	14,971.81	12,638.21	1,132.25	882.48	6,214.72	6,947.11	1,330.67	2,637.25	1,823.90	2,315.74	(3,685.07)	(8,096.56)	21,788.28	17,324.23
	Less: Interest Expense	173.58	517.12	-	90.696	934.98	3.24					1,122.88	474.30	2,231.44	1,963.72
	Add: Interest Income	4.02	3.64	7.99	19.39	0.01	3.10			1	0.61	135.13	275.52	147.15	302.26
	Add: Prior period income (net)				1		1						'		1
	Add: Other income/exp	(4,753.62)	(3,422.58)	(391.22)	(796.72)	(796.96)	(1,914.58)	(106.76)	1		1.43	(6,898.79)	(4,689.66)	(12,947.35)	(10,822.36)
	Add: Exceptional Item	•	2.16	-	1	•	1							-	2.16
	Profit before tax	10,048.63	8,704.31	749.02	(863.91)	4,482.79	5,032.39	1,223.91	2,637.25	1,823.90	2,317.53	(11,571.56)	(12,985.00)	6,756.64	4,842.57
	Current tax		-		-		-					3,255.13	1,740.00	3,255.13	1,740.00
	Fringe Benefit Tax		-		1	100	1					-	1	100	-
	Deferred Tax			-	1							(952.83)	(353.45)	(952.83)	(353.45)
	Profit after tax	10,048.63	8,704.31	749.02	(863.91)	4,482.79	5,032.39	1,223.91	2,637.25	1,823.90	2,317.53	(13,873.86)	(14,371.55)	4,454.34	3,456.02
	Other Comprehensive Income	-	-	-	1	-		-	-	-	-	(1,249.22)	(846.56)	(1,249.22)	(846.56)
	Total Comprehensive Income net of Tax	10,048.63	8,704.31	749.02	(863.91)	4,482.79	5,032.39	1,223.91	2,637.25	1,823.90	2,317.53	(15,123.08)	(15,218.11)	3,205.12	2,609.46
3	Other Information														
	Segment Assets	123,355.23	294,893.42	30,525.52	38,877.31	61,052.09	40,136.57	26,138.53	19,007.17	-	827.42	242,771.51	67,374.37	483,842.88	461,116.26
	Segment Liabilities	99,046.35	80,512.41	39,047.67	51,999.54	66,561.68	40,229.72	26,133.68	20,135.01	-	996.80	37,747.90	31,348.45	268,537.28	225,221.93
	Capital Expenditure	70.83	68.48	7.80	995.79	49.84	23.20	•	2.53	47.62	'	71.25	186.73	247.33	1,276.73
	Depreciation	199.17	175.90	75.86	559.30	1,194.30	626.53	0.80	0.55	-	1	294.64	321.78	1,764.77	1,684.06

www.tcil-india.com 237

**Consolidated Accounts** 



Consolidated Accounts

# **Geographical Segments**

(All amounts are in Rupees in Lakhs, unless otherwise stated)

	Particulars	2018-19	2017-18
1.	Segment Revenue - External Turnover		
	- Within India	100,863.03	86,086.09
	- Outside India		
	KSA	45,827.80	22,684.10
	Others	16,124.71	15,603.84
	Total Revenue	162,815.54	124,374.03
2.	Segment Assets		
	- Within India	430,559.71	420,753.42
	- Outside India		
	KSA	39,676.71	20,019.49
	Others	13,606.46	20,343.35
	Total Assets	483,842.88	461,116.26
3.	Segment Liability		
	- Within India	234,206.70	200,493.56
	- Outside India		
	Others	34,330.58	24,728.37
	Total Liability	268,537.28	225,221.93
4.	Capital Expenditure		
	- Within India	88.06	1,021.97
	- Outside India		
	KSA	25.50	146.26
	Kuwait	60.30	87.68
	Others	73.47	20.82
	Total Expenditure	247.33	1,276.73

**(** 





# 54. RELATED PARTY DISCLOSURE:

Disclosure pursuant to Ind AS-24 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India

# A. Key Management Personnel:

# i) Chairman & Managing Director

Sh. A.Seshagiri Rao (additional charge of Director (Technical) from 01.02.2018 to 31.07.2018)

# ii) Whole time Directors

- Sh. Narendra Jain, Director (Finance)
- Sh. Kamendra Kumar, Director (Technical) from 01.08.2018
- Sh. Rajiv Gupta, Director (Projects)

# **Company Secretary**

Sh. A V.V Krishnan

# **B.** Subsidiary Companies

Tamil Nadu Telecommunications Ltd (TTL)

TCIL Oman LLC

TCIL Bina Toll Road Limited (TBTRL)

TCIL Lakhnadone Toll Road Limited (TLTRL)

TCIL USA Inc.

# C. Associate Companies/ Joint Venture Companies

TBL International Limited (TBL)

Bharti Hexacom Limited (BHL)

United Telecom Limited (UTL)

Telecommunications Consultants Nigeria Limited (TCNL)

Intelligent Communication Systems India Limited (ICSIL)







# Consolidated Accounts

Disclosure in Respect of Related Party Transactions during the year: 240 www.tcil-india.com

,						0																	(Rs in	(Rs in Lakhs)
	I	TTL	ΣI	ICSIL	T	TBL	BHI	T	UTL		TCIL BINA TOLL ROAD LTD	VA TOLL LTD	TCIL LA DONE ROAL	TCIL LAKHNA- DONE TOLL ROAD LTD	TCIL OMAN LLC	ILC	TCNL		Joint Venture/ Subsidairy Cos.	re/ Sub- Cos.	Key Mg sonnel i rek	Key Mgmt. Personnel including relative		Total
Particulars er	Year ending 2018-19 2	Year ending 2017-18 2	Year Year end- end- ing ing 2018- 2017- 19 18	Year end- en 2017- 218	Year Year ending ending 2018- 2017-	Year e. mding i 2017- 20	Year end- ing el 2018- 20	Year ending 2017-18	Year ending e 2018- 19	Year ending 6 2017- 18	Year ending 2018- 19	Year ending 2017-18	Year ending 2018-19	Year ending 2017-18	Year ending 2018- 19	Year end- ing 2017- 18	Year Y end- er ing in 19 19 19	Year end- ing e1 2017- 20	Year ending 2018-19	Year ending 2017-18	Year ending 2018- 19	Year ending 2017-18	Year ending 2018-19	g Year ending 2017-18
Description of nature		$\dagger$	$\dagger$	+	$\dagger$																			
of transactions			$\dashv$	$\dashv$	$\dashv$									$\prod_{i=1}^{n}$										
		80.00	$\dagger$	+	$\dagger$	'		'		'		'				'		'	'	80.00		'		- 80.00
Other Income			$\dagger$	H	$\parallel$	1		1		1						1		1	ľ	1		1		
Purchase of Material			$\dagger$	+	T					-								'				'		
			П	$\parallel$	П																			
Sub Contractors payment			$\dashv$		$\dashv$	16.10		1		1		-				1		1		16.10		-		- 16.10
Employees Remuner- ation & Benefits				<u> </u>		'		'		'		ľ				'		·	1		250.95	189.61	250.95	5 189.61
		Ħ	Ħ	$\parallel$	H															1				
Other Expenses		11	$\dagger \dagger$	++	$\dagger \dagger$	1		1		ľ						1		1				ı'		
Purchase of Fixed		<u> </u>	$\dagger$	+	$\dagger$	'		'		'		ľ				'		'				'		·
		П	П	H	H														1					
Dividend/Interest Income			7.20	7.20	$\dashv$	'	2,	2,040.00		'		'				'		'	7.20	2,047.20		-	7.20	0 2,047.20
Debtors and other receivables as at year end 7,	7,574.04	7,290.10				'		,	63.35	62.507	7,881.09	7,318.95	3,706.83	3,476.15	0.85	0.36		- 19	19,226.16	18,148.06			19,226.16	6 18,148.06
		$\dagger$	$\dagger$	$\dagger$	$\dagger$																			
Creditors and other payables as at year end	143.51	142.96 54.40 19.12	54.40		21.94	65.54		1		1						'		1	219.85	227.62			219.85	5 227.62
			H	H	H																			
Bank/Corporate Guarantees Given	409.88	432.90	$\dashv$	+	$\dashv$	1		1		1		-		_ 1		1		1	409.88	432.90		-	409.88	8 432.90
Amount written off	ľ		$\dagger \dagger$	$\dag \dag$	╫					İ		'				İ		1		1		-		
Provision for doubt-				$\dagger$	$\dagger$																			
		1	_	-	-							-		ī -			1	,	1					

•





# 55. DISCLOSURE AS PER INDAS-115:

Company has decided to adopt the Full Retrospective Approach in preparation of its Financial Statements. The adoptions of the standard have no impact on the financial statements of the company. Company has contracts with customers for different services like Consultancy Service, Trading Activities and Turnkey Projects. The significant management judgments on Revenue Recognition is to recognized the amounts of contract revenues and related receivables reflect management's best estimate of each contract's outcome and stage of completion which is determined based on physical progress, efforts, cost incurred to date bear to the total estimated cost of the transaction, time spent, service performed or any other method that management considered appropriate. For more complex contracts in particular, costs to complete and contract profitability are subject to significant estimation and uncertainty. Company has not incurred any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to statement of Profit and Loss. Cost incurred in fulfilling the contract is charged to Statement of Profit and Loss if it is not recoverable otherwise the same is part of unbilled revenue and unbilled assets.

# 56. DISCLOSURE AS PER INDAS-17:

# **Operating Leases**

The Company has taken office space, accommodations for staff and space for stores on lease. These are classified as operating leases. Lease payments in respect of office space and stores amounting to Rs 1,329.33 Lakhs (Previous year Rs 1,133.25 Lakhs) are shown under Note 32 'Administrative and Other Expenses'. Lease payments in respect of accommodations for staff amounting to Rs 938.41 Lakhs (Previous year Rs 659.11 Lakhs) form part of Note 30 'Employee Benefits Expense'. These operating leases are cancellable and generally renewed on yearly basis.

# **Financial Leases**

Non-current financial liabilities – Others (Note 18) includes, lease obligation of Rs 599.51 Lakhs relating to the land taken on non-cancellable lease by the company during March 1998 for 99 years, which has been classified as financial lease as per the requirement of Ind AS-17. Gross Lease rentals payable and Present values of Minimum Lease Payments (MLP) for each of the periods are as under:-

	As on 31s	t March 2019	As on 31st March 2018		
Particulars	Gross Lease Rentals Payable	Present Value of MLP	Gross Lease Rentals Payable	Present Value of MLP	
Not later than one year	65.97	0.02	65.97	0.02	
Later than one year and not later than five years	263.86	0.10	263.88	0.09	
Later than five years	4804.94	599.39	4,870.90	599.42	

# 57. Earnings per Share

In compliance with IndAS-33 "Earnings Per Share" issued by the Institute of Chartered Accountants of India, the elements considered for Calculation of Earnings Per Share (Basic & Diluted) are as under:

Numerator	Year ended March 31, 2019	Year ended March 31, 2018
Profit After Tax of the group (Used as Numerator (Rupees In lakhs)	(16,309.63)	(1,448.87)
Denominator		
-Number of Equity Shares(Face value of Rs. 10 each)	5,92,00,000	5,92,00,000
-Number of Shares allotted during the year	NIL	NIL
- Weighted Average Number of equity shares for calculating Basic Earnings Per share	5,92,00,000	5,92,00,000
- Weighted Average Number of equity shares for calculating Diluted Earnings Per share	5,92,00,000	5,92,00,000
- Basic Earnings Per share ( Rs. Per share) (Face value of Rs. 10/- each)	(27.55)	(2.45)
- Diluted Earnings Per share( Rs. Per share) (Face value of Rs. 10/- each)	(27.55)	(2.45)







# 58. THE RECONCILIATION OF THE ESTIMATED TAX EXPENSE AT STATUTORY INCOME TAX RATE TO INCOME TAX EXPENSE REPORTED IN THE STATEMENT OF PROFIT AND LOSS IS AS FOLLOWS:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018	
Profit/ (Loss) before income taxes	(14,808.24)	(797.05)	
Adjustment for Profit/(Loss) of Jointly controlled entity	(21,500.44)	(6,791.73)	
Profit/(loss) before income taxes	6,692.20	5,994.69	
Tax at Company's statutory income tax rate of 34.944% (PY: 34.608%)	2,338.52	2,074.64	
Adjustments in respect of allowances / disallowances			
Tax impact of exempted income	(2.52)	(708.49)	
Tax impact of expenses which are disallowed	985.77	561.07	
Tax impact of expenses which are allowed as per Income Tax act	(663.50)	(675.37)	
Total Current Tax as per Statement of Profit & Loss	2,658.27	1,251.85	

# Significant components of net deferred tax assets and liabilities for the year ended March 31, 2019 is as follows:

Particulars	Opening Balance as on 01.04.2018	Recognised/ Reversed through Profit and Loss	Recognised/ Reversed through Other Comprehensive Income	Closing Balance as on 31.03.2019
Deferred Tax Liabilities/ (Asset) in relation				
to:				
Difference between book base and tax base of Property, plant & equipment	1,711.37	(256.88)	-	1454.49
Allowance for expected credit loss	(3,272.46)	(681.73)	-	(3,954.19)
Effect of expenditure debited to statement of profit and loss but allowed for tax purposes on payment basis	(601.28)	(39.39)	-	(640.67)
Others	(580.13)	(1.49)	-	(581.62)
Net Deferred Liabilities/ (Asset)	(2,742.50)	(979.49)	-	(3721.99)

 $<sup>^{\</sup>star}$  Includes exchanges Gain of Rs 26.66 Lakhs on conversion of foreign branches Deferred Tax.

# 59. IN ACCORDANCE WITH IND. AS-37, PARTICULARS OF PROVISIONS ARE AS UNDER:

Particulars	Gratuity	Leave Encashment	Retirement Emp. Med. Scheme	Provision for Income Tax
Opening Balance as on 01.04.2018	1,428.69	1,732.39	944.13	4,413.06
Addition during the Year	452.00	520.12	46.48	2,658.27
Withdrawn during the Year	-	-	-	-
Paid/Adjusted/Written Off during the Year	(1,428.69)	(431.72)	(36.81)	(2,047.51)
Closing Balance as on 31.03.2019	452.00	1,820.79	953.79	5,023.82









Particulars	Provision for Doubtful Debts	Provision for Doubtful Advances	Provision for losses in unfinished projects	Provision for Diminution in value of Investment
Opening Balance as on 01.04.2018	6,364.88	3,090.93	105.10	3.70
Addition during the Year	609.11	80.98	-	0.05
Withdrawn during the Year	-	-	11.19	-
Paid/Adjusted/Written Off during the Year	106.74	-	-	-
Closing Balance as on 31.03.2019	6,867.25	3,171.91	93.91	3.75

### **60. CORPORATE SOCIAL RESPONSIBILITY:**

In view of Companies (Corporate Social Responsibility Policy) Rules, 2014, the company does not have 'Net Profits' in terms of Rule 2(f) as defined in these rules and thus the company is not liable for undertaking CSR expenditure under section 135 of the Companies Act, 2013. However the company has incurred an expenditure of Rs 64.08 Lakhs on CSR activities during the year. Out of this an amount of Rs 52.67 Lakhs has been incurred in India as per DPE Guideline and Rs 11.41 Lakhs in Mauritius as per the local law requirement of Mauritius.

Disclosures pertaining to the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities issued by ICAI.

Breakup of various heads of expenses included in CSR expenditure:

S.No	Name of the Organization	Project Details	Year Ended 31.03.2019	Year Ended 31.03.2018	
1	Swachh Bharat Kosh	Contribution to Swachh Bharat Kosh	-	23.00	
2	Clean Ganga Fund	Contribution to Clean Ganga Fund	3.63	23.00	
3	Telecom Sector Skill Council	Skill development through Telecom Sector Skill Council	25.38	27.44	
4	5 School in UP. Implementing agency is TCIL	Tele-education Network for delivering education in under developed regions	2.10	10.58	
5	Jal Nigam Ghazipur, Uttar Pradesh	Installation of Solar Lights and Handpumps in Ghazipur, Uttar Pradesh	16.79	33.03	
6	CSR Overhead Expenditure		4.77	4.50	
7	CSR Expenditure in Mauritius as per their local law.		11.41	13.28	
	GRAND TOTAL		64.08	134.83	

- b) Additional disclosure in respect of CSR expenditure:
  - i) Gross amount required to be spent by the company during the year ended was Rs 64.08 Lakhs (Rs. 134.83 Lakhs).
  - ii) Details of amount spent during the year:

	Year Ended 31st March 2019			Year Ended 31st March 2018		
Particulars	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
i)Construction/ Acquisition of any Asset		-		-	-	-
ii) On purpose other than (i) above	64.08		64.08	134.83	-	134.83
TOTAL	64.08		64.08	134.83	-	134.83







- Efforts are being made to carry out major repair / upgradation of plant and machineries in order to make the existing plant more operational.
- vi. TCIL management is taking efforts to revive subsidiary company and a letter from Secretary, Telecom has been forwarded to Chief Secretary, Govt. of Tamilnadu in this regard.
- vii. Since Subsidiary Company has 5.51 acres of vacant land which can only be used for telecom related industrial purpose, efforts are being taken to utilize vacant land by venturing into other areas by way of Joint Venture with public / private partners.
- viii. MOU was signed with ITI limited (PSU) in the presence of Hon'ble minister of Communication during the synergy meeting held on 22<sup>nd</sup> Feb 2018 at New Delhi for contract manufacturing.
- ix. DOT discussed in the meeting held on 07.03.2019 with regard to takeover of subsidiary company by BSNL, it is suggested by ministry to BSNL to utilize the capacity of subsidiary company, since BSNL requirement is 100000 km per annum against subsidiary company capacity of 10000 km per annum.

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

- (b) No provision is made for one long pending debtors Rs 339.50 Lakhs (previous year Rs 339.50 Lakhs) in view of the arbitration proceeding completed against the Purchaser for which the Award was received on 14th January 2005 in favour of the Subsidiary Company but has since been challenged by the Purchaser in the court. Further the court remitted back the case to the Arbitrator for speaking orders which also had been awarded on 14th November 2014 in favour of the Subsidiary Company after arguments, cross examinations and written submissions. The purchaser has again appealed in the High Court. Last hearing was held on 23.03.2018. Now the matter is posted on list of final hearings of High court.
- (c) No provision is made for Rs 13.39 Lakhs (previous year Rs 13.39 Lakhs) due from Rail Tel which was under arbitration. In the Arbitration award, six claims were in favour of the Subsidiary Company and one against the Subsidiary Company. Subsidiary Company has appealed against the award in Delhi High Court and the proceedings are in progress.
- (d) Land:
  - The Subsidiary Company is currently in possession of 2.42 acres of land acquired from CMDA. In respect of the said land Memorandum of Lease cum Sale Agreement has been entered and on completion of payment, the Subsidiary Company has executed Sale Deed and the same in original was surrendered to SBI, which is yet to be returned by SBI for which due clearances were received from all the banks of the consortium. The Company is following up with SBI, in this regard.
  - ii) The Subsidiary Company is also in possession of 7.36 acres of free hold land of the Tamilnadu State Government. The cost of land determined by the Government in 2010 was paid by the Subsidiary Company. Land delivery receipt was issued to the Subsidiary Company by the Government. In the case of TN Government land, it is to be utilized for the purpose for which it is allotted.
- Work-in-Progress under Inventories as on 31.03.2019 includes realizable scrap comprising short length cables, quality defects cables, excess production cables for operational reasons, type approval cables and disputed returned cables. The above items are saleable with further processing and re-testing to the same or other customers. Due provision is made in respect of non-moving/ slow moving WIP inventories wherever necessary.
- A demand was raised by Income Tax Department towards tax to be deducted at source on Royalty amounting to Rs 25.42 Lakhs (for the years 2000 -2001 and 2001 -2002) on the Subsidiary Company. They have, however, paid the entire amount of demand, out of which Rs 21.94 Lakhs is kept as recoverable. Appeal filed by the Subsidiary company for the above is pending in the Tribunal.
- (i) A civil suit has been filed by the Subsidiary company in Delhi High court on 31.03.2011 to stay the Advance Purchase Order issued by BSNL, HQ for supply of 42000 KMs of OFC. This is in addition to the purchase order issued during January, 2011 for supply of 18000 KMs. The order for OFC supply is with Nylon 12 jacketing and subsequently BSNL has changed the specification with HDPE Double sheathing. During the year 2011-12 BSNL has floated tender for 42000 KMs with the new specification. Initially the case was filed in Delhi High Court against the APO. Now the matter is transferred from Delhi High court to District court (Patiala House) for deciding the









# 61. IN RESPECT OF ONE OF THE SUBSIDIARY:

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

During the year 2012-13 the Subsidiary Company had received order from BSNL for supply of 3206 KMs of OFC valuing Rs 1597.01 Lakhs and successfully executed the order in time and got 50% add-on order of 1602 KMs and executed during 2013-14 valuing Rs 798.00 Lakhs. These two were the only major orders executed during these two years.

Bharat Broadband Network Limited (BBNL), the Special Purpose Vehicle of the Government, had floated the tender towards the National Optic Fiber Network (NOFN) project to connect all the villages by broad band. The date of tender opening was 08.05.2013. Though the initial projection was 600000 KMs, the tender called for is to cover 404995 KMs under six packages based on geographical location. For this huge quantum, BBNL has fixed the delivery time frame of eight months only including initial two months for preliminary arrangements. The Subsidiary Company has participated in one package considering its production capacity to cover the quantum in the given short delivery period. The Subsidiary Company has received APO and given acceptance during February, 2014 for 5800 KMs including accessories. The Value of the APO is Rs 3190.44 Lakhs. BBNL has proposed to issue PO in two phases of 50% each. During April, 2014, BBNL has issued the first 50% PO for 2900 KMs including accessories valuing Rs 1595.27 Lakhs. Delivery period was upto October, 2014. BBNL has issued the consignee details in full periodically for four months consignments of 1740 KMs only. For fifth month consignment, consignee details were provided for only 48 KMs out of 580 KMs. Hence consignee details are not provided for balance around 1112 KMs. BBNL has extended the delivery schedule by another six months beyond October, 2014. Hence the supply of balance around 1112 KMs and second 50% PO for 2900 KMs was anticipated during 2016-17and 2017-18 for execution. However, BBNL did not decide on the consignees and no supply could, therefore, be made thereafter.

The Subsidiary Company has participated in the tender floated by BSNL for supply of 24,000 KMs of 24F HDPE DS OFC. The technical bid opened and the company has been technically qualified. Financial bid opened on 21.5.2015 which was followed by e reverse auction but Subsidiary Company could not compete in the e-reverse auction. The company had Railway orders worth of Rs.10 crore during the financial year 16-17 and 17-18. But due to non – availability of fiber from Fujikura, Japan, the orders could not be executed. The requirement of OFC in the country is huge; however the delay in procurement is due to various procedural matters / issues in execution of big projects by the Government Clients.

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

- i. The proposal of taking over the company by BSNL has been initiated. The Consultant appointed by the BSNL submitted due diligence report after vetting the documents of the company. Meeting was held on 7<sup>th</sup> March 2019 chaired by AS(T) at Department of Telecommunications and decided to reexamine the case by both TCIL and BSNL.
- ii. Diversion of existing skilled employees to Fiber Optic Splicing, Survey, Optical Laying Supervision and other telecom related service contracts to maximize the utilization of existing skilled manpower. During the financial year 18-19, 45 no. of employees were selected for deputation to TCIL. 29 no. of employees were sent to TCIL on deputation basis till 31.03.2019 and 7 no. of employees were sent in the month of April and May 2019.
- iii. To obtain preferential orders from Tamil Nadu Fibernet Corporation (TANFINET), State PSU, for supplying Optical Fiber Cable in Tamilnadu. Management is continuously pursuing and approaching the concerned secretaries and ministers of Government of Tamilnadu.
- iv. To obtain Turnkey contracts with the help of TCIL on nomination basis from DOT / PSUs / Tamilnadu Govt. and execute the orders so that excess skilled manpower will be utilized.





(



# Telecommunications Consultants India Limited Annual Report 2018-19

APO. Now the matter is in progress. Last hearing was held on 15.01.2019. Arguments completed. Judgment will be pronounced on 09.07.2019.

- (ii) The Subsidiary Company has invoked Arbitration Clause during the year 2014-15 in respect of BSNL's short closure of the PO for supply of 18000 kms. The case is in progress under the Supreme Court of India. The next hearing is not fixed.
- h) A writ petition has been filed by the Subsidiary Company in Madras High court during the year 2008 against BSNL for reducing the awarded rate during the scheduled delivery period, in one of their orders without giving effect to BSNL's amendment to the 'Fall clause' applicable from 01.08.2005. BSNL has rejected and returned the differential claim invoice of the Subsidiary company for Rs 139.91 Lakhs. The case is pending in Madras High Court.
- **62.** For certain items, the company and its subsidiaries have followed different accounting policies. However, impact of the same is not material.
- **63.** Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the Group financial statements.
- 64. Previous Year Figures have been realigned/recast/regrouped wherever considered necessary.

These are the Notes referred to in Balance Sheet and Statement of Profit and Loss

For and on behalf of the Board of Directors

For Hingorani M & Co.
Chartered Accountants

(Firm Regn. No.: 006772N)

(Pardeep Kumar)

Partner

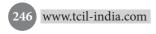
Membership No.: 085630

Date: 26.08.2019 Place: New Delhi N.Jain Director (Finance) DIN 06942419

A.K. Jain
Executive Director (F&A)

**A.Seshagiri Rao** Chairman & Managing Director DIN 06364174

**Rashmi Chawla**Dy. Company Secretary





Telecommunications Consultants India Limited Annual Report 2018-19

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

The preparation of financial statements of Telecommunications Consultants India Limited (TCIL) for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act 2013 is the responsibility of the Management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the act is responsible for expressing opinion on the Financial Statements under section 143 of the Act based on independent audit in accordance with the Standards on Auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26.08.2019.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the Financial Statements of Telecommunications Consultants India Limited for the year ended 31 March 2019 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company Personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the consolidated financial statements and the related audit report.

**Comments on Financial Position Balance Sheet** Non-Current Financial Assets -loans- Rs. 11614.37 lakh

The above head is understated by Rs. 1844.12 lakh due to non-recognition of interest income on the unsecured loan given to TCIL-Bina Toll Road Limited and TCIL-Laknadone Toll Road Limited (subsidiary companies of TCIL) by TCIL. The Company should have booked the interest income on unsecured loan given to these two companies.

The provision for the same amount should also have been made.

Place: Delhi

Date: 04-11-2019

This has also resulted in understatement of income by Rs. 938 lakh in 2018-19 & 905.96 lakh in 2017-18 and understatement of provision by Rs. 1844.12 lakh.

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

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

> > > www.tcil-india.com



FINAL FILE\_statement of account.indd 247 11/29/2019 8-32-58 PM



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TELECOMMUNICATIONS CONSULTANTS INDIA LIMITED (TCIL) CONSOLIDATED FOR THE YEAR ENDED 31 MARCH 2019.

The preparation of consolidated financial statements of **Telecommunications Consultants India Limited (TCIL)** Consolidated for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditor/Auditors appointed by the Comptroller and Auditor General of India under section 139(5) or 139(7) read with section 129(4) of the Act is/are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26th August 2019.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of TCIL (Consolidated) for the year ended 31 March 2019. We conducted a supplementary audit of the financial statement of TTL, TCIL-LTRL & TCIL-BTRL. Further section 139(5) and 143(6) (a) of the Act are not applicable to Bharti Hexacom Ltd (BHL), TBL International Ltd being private entities and TCIL Oman LLC, United Telecom Ltd (UTL), Telecommunications Consultants Nigeria Ltd. (TCNL) being entities incorporated in foreign countries under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, C& AG has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) read with section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the consolidated financial statements and the related audit report:

# **Significant Accounting Policies General**

The Company has given subordinated unsecured loan amounting Rs. 7881.09 to TBTRL and Rs. 3706.83 lakh to TLTRL its wholly owned subsidiaries. The interest payable on these loans has been provided by these two subsidiaries in their accounts. The interest on the unsecured loan was not recognized during the 2017-18 and 2018-19 by TCIL. This fact needs disclosure.

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

Place: Delhi Date: 05-11-2019

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

