

TELECOMMUNICATION SERVICES

22. Telecommunication Services

As on 31.03.2014, there were 5 Central Public Sector Enterprises in the Telecommunication Services.

S. No.	Enterprise	Year of Incorporation
1	MAHANAGAR TELEPHONE NIGAM LTD	1986
2	BHARAT SANCHAR NIGAM LTD.	2000
3	MILLENNIUM TELECOM LTD.	2000
4	RAILTEL CORPORATION OF INDIA LTD.	2000
5	BHARAT BROADBAND NETWORK LTD.	2012

2. The enterprises falling in this group are mainly engaged in rendering Telecommunication and Internet services etc.

3. The consolidated financial position, the working results and the important management ratios of these enterprises are appended.

4. **Turnover:** The details of turnover of individual enterprises are given below:

(₹ in Crore)

S. No.	Enterprise	Turnover	
		2013-14	2012-13
1	BHARAT BROADBAND NETWORK LTD.	0.41	0
2	BHARAT SANCHAR NIGAM LTD.	26153.26	25654.81
3	M A H A N A G A R TELEPHONE NIGAM LTD.	3475.66	3428.66
4	MILLENNIUM TELECOM LTD.	0	0.2
5	RAILTEL CORPORATION OF INDIA LTD.	453.27	362.07
TOTAL :		30082.6	29445.74

5. **Net Profit / Loss:** The details of enterprises, which earned net profit or sustained net loss (-) are given below:

(₹ in Crore)

S. No.	Enterprise	Profit/Loss	
		2013-14	2012-13
1	BHARAT BROADBAND NETWORK LTD.	1.78	0
2	BHARAT SANCHAR NIGAM LTD.	-7019.76	-7884.44
3	MAHANAGAR TELEPHONE NIGAM LTD.	7820.72	-5321.12
4	MILLENNIUM TELECOM LTD.	-0.17	-0.2
5	RAILTEL CORPORATION OF INDIA LTD.	137.93	111.59
TOTAL		940.5	-13094.2

6. **Dividend:** The details of dividend declared by the individual enterprises are given below:

(₹ in Crore)

S. No.	Enterprises	Dividend	
		2013-14	2012-13
1	RAILTEL CORPORATION OF INDIA LTD.	17	15
TOTAL :		17	15

7. **Social Overhead and Township:** The total number of persons employed and the expenditure incurred on social overheads and townships are given below:

S. No.	Particulars	Township and Social Overheads	
		2013-14	2012-13
1	No. of employees (in number)	275412	292209
2	Social overheads: (Rupees in Crore)		
	(i) Educational	0	0
	(ii) Medical Facilities	0.24	0.04
	(iii) Others	0	0
3	Capital cost of township (Rupees in Crore)	0	0
4	No. of houses constructed (in numbers)	0	0

8. Company wise details in respect of Balance Sheet, Profit and Loss Account, Important Indicators and Financial Ratios along with the write up of individual company are given in the page below.

TELECOMMUNICATION SERVICES

BALANCE SHEET			
(₹ in Lakhs)			
PARTICULARS	2013-14	2012-13	2011-12
I. EQUITY & LIABILITIES			
AUTHORISED CAPITAL	2040000	2040000	2040000
(1) Shareholders' Funds			
(a) Share Capital			
(i) Central Govt	1323532	1323531	1317536
(ii) Others	27850	27851	27851
(b) Reserves & Surplus	5004315	4820191	6096137
(c) Money received against share warrants	0	0	0
Total Shareholders' Funds (1(a)+1(b)+1(c))	6355697	6171573	7441524
(2) Share application money pending allotment	0	0	432
(3) Non-current Liabilities			
(a) Long Term Borrowings	883000	864053	876614
(b) Deferred tax liabilities (Net)	183	29	127
(c) Other Long-term liabilities	813881	831317	779246
(d) Long-term provisions	963477	1764952	1448926
Total Non-Current Liabilities 3(a) to 3(d)	2660541	3460351	3104913
(4) Current Liabilities			
(a) Short Term Borrowings	975518	716304	396906
(b) Trade Payables	905488	976759	1015131
(c) Other current liabilities	992799	999576	949368
(d) Short-term provisions	100408	119014	131655
Total Current Liabilities 4(a) to 4(d)	2974213	2811653	2493060
TOTAL EQUITY & LIABILITIES (1+2+3+4)	11990451	12443577	13039929
II. ASSETS			
(1) Non-Current Assets			
(a) Total Gross Fixed Assets	19512037	20375913	20081877
(ai) Accumulated Depreciation, Depletion & Amortisation	13254583	12745516	11822176
(aii) Accumulated Impairment	3071	3071	0
(b) Total Net Fixed Assets ((a)-(ai)-(aia))	6254382	7627326	8259701
(c) Capital work in progress	433463	465697	515706
(d) Intangible assets under developmet	923	1462	2043
(e) Non-Current Investments	722074	677709	623550
(f) Deferred Tax Assets (Net)	23918	13330	6238
(g) Long Term Loans and Advances	1475615	1200860	1145550
(h) Other Non-Current Assets	448656	386203	317043
Total Non-Current Assets (b+c+d+e+f+g+h)	9359031	10372587	10869831
(2) Current Assets			
(a) Current Investments	2000	2000	27000
(b) Inventories	362215	385784	369964
(c) Trade Recievables	322248	342839	439926
(d) Cash & Bank Balance	249379	234675	264334
(e) Short-term Loans & Advances	250823	193268	217378
(f) Other Current Assets	1444754	912424	851496
Total Current Assets (a+b+c+d+e+f)	2631420	2070990	2170098
TOTAL ASSETS (1+2)	11990451	12443577	13039929
Important Indicators			
(i) Investment	2234382	2215435	2222433
(ii) Capital Employed	7238697	7035626	8318570
(iii) Net Worth	6355697	6171573	7441956
(iv) Net Current Assets	-342793	-740663	-322962
(v) Cost of Sales	4085903	4287517	4361627
(vi) Net Value Added (at market price)	2122810	666243	621494
(vii) Total Regular Employees (Nos.)	275412	292209	309772
(viii) Avg. Monthly Emoluments per Employee(₹)	54829	53346	46146

PROFIT & LOSS ACCOUNT			
(₹ in Lakhs)			
PARTICULARS	2013-14	2012-13	2011-12
(I) Revenue from Operations (Gross)	3008260	2944574	2970280
Less : Excise Duty	0	0	0
Revenue from Operations (Net)	3008260	2944574	2970280
(II) Other Income	233221	183201	225926
(III) Total Revenue (I+II)	3241481	3127775	3196206
(IV) Expenditure on:			
(a) Cost of materials consumed	0	0	64
(b) Purchase of stock-in-trade	0	0	0
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	0	0	0
(d) Stores & Spares	0	0	0
(e) Power & Fuel	290425	278743	250538
(f) Salary, Wages & Benefits/Employees Expense	1812061	1870577	1715352
(g) Other Operating/direct/manufacturing Expenses	910842	474721	470314
(h) Rent, Royalty & Cess	42105	41365	40922
(i) Loss on sale of Assets/Investments	983	505	1818
(j) Other Expenses	300328	631953	806348
Total Expenditure (IV (a to j))	3356744	3297864	3285356
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	-115263	-170089	-89150
(VI) Depreciation, Depletion & Amortisation	730142	990158	1077688
(VII) Impairment	0	0	401
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIEET)(V-VI-VII)	-845405	-1160247	-1167239
(IX) Finance Cost			
(a) On Central Government Loans	0	19599	16715
(b) On Foreign Loans	0	0	0
(c) Others	161049	133646	97232
(d) Less Finance Cost Capitalised	0	0	0
(e) Charged to P & L Account (a+b+c+d)	161049	153245	113947
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBET)(VIII-IXe)	-1006454	-1313492	-1281186
(XI) Exceptional Items	-1162047	23	1432
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	155593	-1313515	-1282618
(XIII) Extra-Ordinary Items	19094	0	0
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	136499	-1313515	-1282618
(XV) TAX PROVISIONS	42449	-4098	4865
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	94050	-1309417	-1287483
(XVII) Profit/Loss from discontinuing operations	0	0	0
(XVIII) Tax expenses of discontinuing operations	0	0	0
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0
(XX) Profit/Loss for the period (XVI+XIX)	94050	-1309417	-1287483
Financial Ratios			
(i) Sales : Capital Employed	41.56	41.85	35.71
(ii) Cost of Sales : Sales	135.82	145.61	146.84
(iii) Salary/Wages : Sales	60.24	63.53	57.75
(iv) Net Profit : Net Worth	1.48	-21.22	-17.3
(v) Debt : Equity	0.65	0.64	0.65
(vi) Current Ratio	0.88	0.74	0.87
(vii) Trade Recievables : Sales	10.71	11.64	14.81
(viii) Total Inventory : Sales	12.04	13.1	12.46

Bharat Broadband Network Limited

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Chattarpur, Mehrauli, New Dlehi-110030
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The Company

Bharat Broadband Network Limited (BBNL) was set up by the Government of India as a Special Purpose Vehicle and was incorporated on 25.02.2012 under the Companies Act 1956 with an objective to set up, provide (i.e. procure, install, test, commission) operate, maintain and manage OFC network and associated infrastructure which is called National Optical Fibre Network, required for effective provision of at least 100 Mbps bandwidth on sharing basis in all the estimated 2,50,000 Gram Panchayats of India.

BBNL is an unlisted CPSE in Telecom Service Sector under the Administrative control of Department of Telecommunications, Ministry of Communications and IT and its 99.99 percent of issued and paid up equity is held by the Government of India. Also Bharat Sanchar Nigam Limited, Power Grid Corporation of India Limited and Railtel Corporation of India Limited, all of which are Government of India PSUs hold one issued and paid up Equity share of Rs. 10 each. The company employed 90 executives' regular employees as on 31.3.2014. Its Registered and Corporate offices are at Delhi.

Vision / Mission

The vision of the company is to become the leading Telecom Company to provide secure, reliable, affordable and high quality connectivity across India.

The mission of the company is to provide 100 Mbps Broadband connectivity to all the Gram Panchayats; To provide B2B services in a non-discriminatory manner; To facilitate proliferation of G2C, B2C and P2P; Broadband services in rural areas; To be a catalyst for increasing Broadband penetration in rural areas so as to foster socio economic development.

Industrial / Business Operations

BBNL is engaged in establishing the National Optical Fibre Network to connect all the Gram Panchayats of the country with concerned Blocks of the country through Optical Fibre Network so that 100 Mbps bandwidth can be provided to each GP of the country. By utilizing the said bandwidth internet service and various types of e services can be provided to villagers as well as to Government Institutions and other Institutions located in the villages.

The network and associated infrastructure so created are called National Optical Fibre Network NOFN. The Universal Service Obligation Fund which is administered by the Department of Telecommunication, Ministry of Communications Government of India provides subsidy for entire Capex required for establishing NOFN and net cost of Opex net of revenue for operation and maintenance of NOFN for a period of five years w.e.f. 25.02.2012.

Performance Highlights

The physical performance of the company for the year of operation is given below:

Main Services	Unit	Performance during		
		2013-14	2012-13	2011-12
Bandwidth	Mbps	5900	-	-

The company has started its commercial operation from the FY 2013-14 only hence, no revenue has been generated by the company in the previous years. During the FY 2013-14 the company earned a Total income of ₹8.40 crore and posted a Profit of Rs. 1.78 Crore due to other income of Rs.7.98 crore.

Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period of operation can be seen on the adjoining page.

BHARAT BROADBAND NETWORK LTD.

BALANCE SHEET				(₹ in Lakhs)
PARTICULARS	2013-14	2012-13	2011-12	
I. EQUITY & LIABILITIES				
AUTHORISED CAPITAL	100000	100000	100000	
(1) Shareholders' Funds				
(a) Share Capital				
(i) Central Govt	6000	6000	5	
(ii) Others	0	0	0	
(b) Reserves & Surplus	347	0	0	
(c) Money received against share warrants	0	0	0	
Total Shareholders' Funds (1(a)+1(b)+1(c))	6347	6000	5	
(2) Share application money pending allotment	0	0	0	
(3) Non-current Liabilities				
(a) Long Term Borrowings	0	0	0	
(b) Deferred tax liabilities (Net)	33	1	0	
(c) Other Long-term liabilities	91747	40496	0	
(d) Long-term provisions	0	0	0	
Total Non-Current Liabilities 3(a) to 3(d)	91780	40497	0	
(4) Current Liabilities				
(a) Short Term Borrowings	0	0	0	
(b) Trade Payables	0	10	0	
(c) Other current liabilities	908	130	0	
(d) Short-term provisions	82	251	0	
Total Current Liabilities 4(a) to 4(d)	990	391	0	
TOTAL EQUITY & LIABILITIES (1+2+3+4)	99117	46888	5	
II. ASSETS				
(1) Non-Current Assets				
(a) Total Gross Fixed Assets	1112	59	0	
(ai) Accumulated Depreciation, Depletion & Amortisation	200	4	0	
(aii) Accumulated Impairment	0	0	0	
(b) Total Net Fixed Assets ((a)-(ai)-(aii))	912	55	0	
(c) Capital work in progress	-259	151	5	
(d) Intangible assets under developmet	0	0	0	
(e) Non-Current Investments	0	0	0	
(f) Deferred Tax Assets (Net)	0	0	0	
(g) Long Term Loans and Advances	40372	20638	0	
(h) Other Non-Current Assets	150	200	0	
Total Non-Current Assets (b+c+d+e+f+g+h)	41175	21044	5	
(2) Current Assets				
(a) Current Investments	0	0	0	
(b) Inventories	0	0	0	
(c) Trade Recievables	41	0	0	
(d) Cash & Bank Balance	55264	25522	0	
(e) Short-term Loans & Advances	1016	322	0	
(f) Other Current Assets	1621	0	0	
Total Current Assets (a+b+c+d+e+f)	57942	25844	0	
TOTAL ASSETS (1+2)	99117	46888	5	
Important Indicators				
(i) Investment	6000	6000	5	
(ii) Capital Employed	6347	6000	5	
(iii) Net Worth	6347	6000	5	
(iv) Net Current Assets	56952	25453	0	
(v) Cost of Sales	556	0	0	
(vi) Net Value Added (at market price)	-50965	0	0	
(vii) Total Regular Employees (Nos.)	90	25	5	
(viii) Avg. Monthly Emoluments per Employee(₹)	10463	0	0	

PROFIT & LOSS ACCOUNT				(₹ in Lakhs)
PARTICULARS	2013-14	2012-13	2011-12	
(I) Revenue from Operations (Gross)	41	0	0	
Less : Excise Duty	0	0	0	
Revenue from Operations (Net)	41	0	0	
(II) Other Income	799	0	0	
(III) Total Revenue (I+II)	840	0	0	
(IV) Expenditure on:				
(a) Cost of materials consumed	0	0	0	
(b) Purchase of stock-in-trade	0	0	0	
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	0	0	0	
(d) Stores & Spares	0	0	0	
(e) Power & Fuel	3	0	0	
(f) Salary, Wages & Benefits/Employees Expense	113	0	0	
(g) Other Operating/direct/manufacturing Expenses	204	0	0	
(h) Rent, Royalty & Cess	34	0	0	
(i) Loss on sale of Assets/Investments	1	0	0	
(j) Other Expenses	6	0	0	
Total Expenditure (IV (a to j))	361	0	0	
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	479	0	0	
(VI) Depreciation, Depletion & Amortisation	196	0	0	
(VII) Impairment	0	0	0	
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIEET)(V-VI-VII)	283	0	0	
(IX) Finance Cost				
(a) On Central Government Loans	0	0	0	
(b) On Foreign Loans	0	0	0	
(c) Others	6	0	0	
(d) Less Finance Cost Capitalised	0	0	0	
(e) Charged to P & L Account (a+b+c+d)	6	0	0	
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBEET)(VIII-IXe)	277	0	0	
(XI) Exceptional Items	0	0	0	
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	277	0	0	
(XIII) Extra-Ordinary Items	0	0	0	
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	277	0	0	
(XV) TAX PROVISIONS	99	0	0	
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	178	0	0	
(XVII) Profit/Loss from discontinuing operations	0	0	0	
(XVIII) Tax expenses of discontinuing operations	0	0	0	
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0	
(XX) Profit/Loss for the period (XVI+XIX)	178	0	0	
Financial Ratios				
(i) Sales : Capital Employed	0.65	0	0	
(ii) Cost of Sales : Sales	1356.1	0	0	
(iii) Salary/Wages : Sales	275.61	0	0	
(iv) Net Profit : Net Worth	2.8	0	0	
(v) Debt : Equity	0	0	0	
(vi) Current Ratio	58.53	66.1	0	
(vii) Trade Recievables : Sales	100	0	0	
(viii) Total Inventory : Sales	0	0	0	

Bharat Sanchar Nigam Ltd.

Bharat Sanchar Bhawan, H.C.Mathur Lane, Janpath, New Delhi-110 001
www.bsnl.co.in

The Company

Bharat Sanchar Nigam Ltd (BSNL) was incorporated on 15.9.2000 under the Companies Act 1956 with an objective to take over the business of providing telecom services and network of erstwhile D/o Telecommunications along with all assets and liabilities, contractual rights and obligations w.e.f. 1.10.2000.

BSNL is a Schedule 'A' Miniratna category CPSE in Telecommunication and IT Sector under the administrative control of M/o Communication and Information Technology, D/o Telecommunications with 100% shareholding by the Government of India. The company employed 2,38,277 regular employees (Executives 47,768 & Non-Executives 1,90,509) as on 31.3.2014. Its Registered and Corporate Office is at New Delhi.

Vision / Mission

The Vision of the company is to be the leading telecom service provider in India with global presence; Create a customer focused organization with excellence in customer care, sales and marketing and Leverage technology to provide affordable and innovative telecom services / products across customer segments.

The Mission of the company is to be the leading telecom service provider in India with global presence; Creating a customer focused organization with excellence in sales, marketing and customer care; Leveraging technology to provide affordable and innovative products/services across customer segments; Provide a conducive work environment with strong focus on performance and Establishing efficient business processes enabled by IT.

Industrial / Business Operations

BSNL is engaged in providing all types of Telecommunication services in the form of mobile, fixed access, broadband and enterprises business through its 48 telecom circles (including registered office) spread all over India.

Performance Highlights

The physical performance of the company during the last three years is given below:

Main Products / Connections	Unit millions	Performance during		
		2013-14	2012-13	2011-12
Landline	Connections	17.67	20.45	22.47
Broadband	Million	9.96	9.93	8.91
GSM network	Million	85.93	98.50	94.51
WLL	Million	2.15	2.70	4.00

Total Revenue of the company registered an increase of ₹868.46 crore during 2013-14, which went up to ₹27996.35 crore in 2013-14 from ₹27127.89 crore in 2012-13 (Fig1). The loss of the company stood at ₹7019.76 crore, showing

an improvement in profitability / loss situation from that of last year's loss of ₹7884.44 crore. The loss in 2013-14 has been reduced by Rs.864.68 crore as compared to the previous year. There is reduction of tariffs due to competitive market pressure and substitution of land line telephones by mobile phones and further shifting of demand from basic to mobile connections which provide greater convenience at highly competitive rates.

Return on Net Worth of the company has been negative and stood at (-)12.39% and (-)12.20% 2012-13 and in 2013-14 respectively. Net profit Ratio of the company has decreased to (-)26.84% in 2013-14 from (-)30.73 % in 2012-13 (Fig2). The current ratio of company is at 1.11:1 during 2013-14 as against 0.90:1 in the previous year. Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2011-12 to 2013-14 can be seen on the adjoining page.

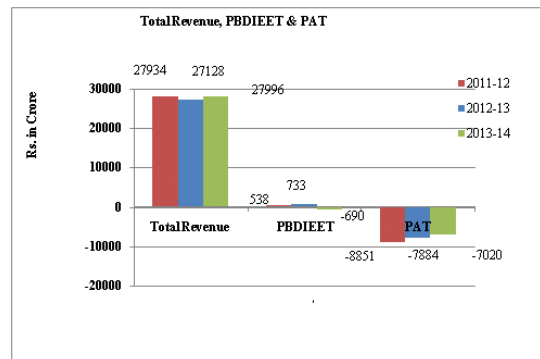


Fig. 1

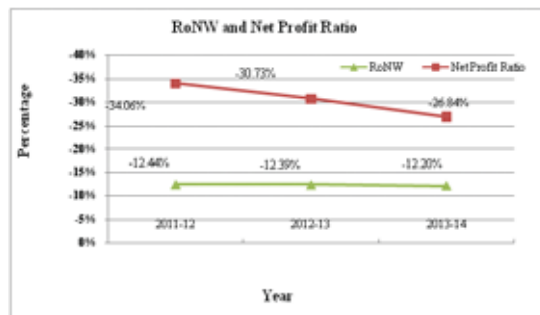


Fig.2

Strategic issues

Despite operating in a highly competitive and consumer driven market with pressure on earnings, BSNL was able to restrain the negative trend to some extent. During the year under review, the Board of Directors of the company continued to work on the vision of creating a customer focused organization and, have taken strategic initiatives to improve company's operating efficiency, steer growth and productivity. Focus is on service, differentiation and operational agility to cater to subscribers on Pan India basis.

BHARAT SANCHAR NIGAM LTD.

BALANCE SHEET			
(₹ in Lakhs)			
PARTICULARS	2013-14	2012-13	2011-12
I. EQUITY & LIABILITIES			
AUTHORISED CAPITAL	1750000	1750000	1750000
(1) Shareholders' Funds			
(a) Share Capital			
(i) Central Govt	1250000	1250000	1250000
(ii) Others	0	0	0
(b) Reserves & Surplus	4503332	5113873	5867102
(c) Money received against share warrants	0	0	0
Total Shareholders' Funds (1(a)+1(b)+1(c))	5753332	6363873	7117102
(2) Share application money pending allotment	0	0	0
(3) Non-current Liabilities			
(a) Long Term Borrowings	72000	170318	170318
(b) Deferred tax liabilities (Net)	0	0	0
(c) Other Long-term liabilities	330074	403725	426257
(d) Long-term provisions	783606	687008	627981
Total Non-Current Liabilities 3(a) to 3(d)	1185680	1261051	1224556
(4) Current Liabilities			
(a) Short Term Borrowings	373853	256114	132047
(b) Trade Payables	870657	950092	984668
(c) Other current liabilities	682363	684617	678929
(d) Short-term provisions	67459	53184	46231
Total Current Liabilities 4(a) to 4(d)	1994332	1944007	1841875
TOTAL EQUITY & LIABILITIES (1+2+3+4)	8933344	9568931	10183533
II. ASSETS			
(1) Non-Current Assets			
(a) Total Gross Fixed Assets	16704199	17210469	16976303
(ai) Accumulated Depreciation, Depletion & Amortisation	11642094	11125831	10349571
(aii) Accumulated Impairment	0	0	0
(b) Total Net Fixed Assets ((a)-(ai)-(aia))	5062105	6084638	6626732
(c) Capital work in progress	386917	369600	422705
(d) Intangible assets under developmet	923	1462	2043
(e) Non-Current Investments	718074	657511	601352
(f) Deferred Tax Assets (Net)	23773	13330	6238
(g) Long Term Loans and Advances	532684	684728	650476
(h) Other Non-Current Assets	0	0	0
Total Non-Current Assets (b+c+d+e+f+g+h)	6724476	7811269	8309546
(2) Current Assets			
(a) Current Investments	0	0	0
(b) Inventories	354728	377209	359678
(c) Trade Recievables	276258	295339	396218
(d) Cash & Bank Balance	93195	116125	188509
(e) Short-term Loans & Advances	76344	92617	114142
(f) Other Current Assets	1408343	876372	815440
Total Current Assets (a+b+c+d+e+f)	2208868	1757662	1873987
TOTAL ASSETS (1+2)	8933344	9568931	10183533
Important Indicators			
(i) Investment	1322000	1420318	1420318
(ii) Capital Employed	5825332	6534191	7287420
(iii) Net Worth	5753332	6363873	7117102
(iv) Net Current Assets	214536	-186345	32112
(v) Cost of Sales	3470996	3473178	3657031
(vi) Net Value Added (at market price)	864328	533808	507653
(vii) Total Regular Employees (Nos.)	238277	252492	267906
(viii) Avg. Monthly Emoluments per Employee(₹)	53984	45407	41700

PROFIT & LOSS ACCOUNT			
(₹ in Lakhs)			
PARTICULARS	2013-14	2012-13	2011-12
(I) Revenue from Operations (Gross)	2615326	2565481	2598213
Less : Excise Duty	0	0	0
Revenue from Operations (Net)	2615326	2565481	2598213
(II) Other Income	184309	147308	195137
(III) Total Revenue (I+II)	2799635	2712789	2793350
(IV) Expenditure on:			
(a) Cost of materials consumed	0	0	0
(b) Purchase of stock-in-trade	a0	0	0
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	0	0	0
(d) Stores & Spares	0	0	0
(e) Power & Fuel	262451	253256	228509
(f) Salary, Wages & Benefits/Employees Expense	1543584	1375782	1340604
(g) Other Operating/direct/manufacturing Expenses	806173	437761	437781
(h) Rent, Royalty & Cess	32141	32322	32175
(i) Loss on sale of Assets/Investments	0	0	0
(j) Other Expenses	224330	540414	700530
Total Expenditure (IV (a to j))	2868679	2639535	2739599
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	-69044	73254	53751
(VI) Depreciation, Depletion & Amortisation	602317	833643	917432
(VII) Impairment	0	0	0
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIET)(V-VI-VII)	-671361	-760389	-863681
(IX) Finance Cost			
(a) On Central Government Loans	0	19599	16715
(b) On Foreign Loans	0	0	0
(c) Others	21964	15548	1697
(d) Less Finance Cost Capitalised	0	0	0
(e) Charged to P & L Account (a+b+c+d)	21964	35147	18412
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBEET)(VIII-IXe)	-693325	-795536	-882093
(XI) Exceptional Items	0	0	0
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	-693325	-795536	-882093
(XIII) Extra-Ordinary Items	19094	0	0
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	-712419	-795536	-882093
(XV) TAX PROVISIONS	-10443	-7092	2977
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	-701976	-788444	-885070
(XVII) Profit/Loss from discontinuing operations	0	0	0
(XVIII) Tax expenses of discontinuing operations	0	0	0
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0
(XX) Profit/Loss for the period (XVI+XIX)	-701976	-788444	-885070
Financial Ratios			
(i) Sales : Capital Employed	44.9	39.26	35.65
(ii) Cost of Sales : Sales	132.72	135.38	140.75
(iii) Salary/Wages : Sales	59.02	53.63	51.6
(iv) Net Profit : Net Worth	-12.2	-12.39	-12.44
(v) Debt : Equity	0.06	0.14	0.14
(vi) Current Ratio	1.11	0.9	1.02
(vii) Trade Recievables : Sales	10.56	11.51	15.25
(viii) Total Inventory : Sales	13.56	14.7	13.84

Mahanagar Telephone Nigam Ltd.

Mahanagar Doorsanchar Sadan, 5th Floor, 9 CGO Complex, Lodhi Road, New Delhi-110 003
www.mtnl.net.in

The Company

Mahanagar Telephone Nigam Ltd. (MTNL) was incorporated on 28.02.1986 and Commenced its Business 01.04.1986 to provide all types of telecommunication services in areas of Delhi and Mumbai.

MTNL is a Schedule 'A' / Navratna listed CPSE in Telecommunication Services sector under the administrative control of M/o Communication and Information Technology, D/o Telecommunications with 56.25% shareholding by the Government of India. The company employed 36523 regular employees (Executives 5075, Non-executives 31448) as on 31.3.2014. Its Registered and Corporate offices are at New Delhi.

Vision / Mission

The Vision/ Mission of the Company is to provide in its area of operation, in a leading way, world class telecom services which are demanded, keeping always the customers delight as its aim, so that it continues to be the premier Indian Telecom Company.

Industrial / Business Operations

MTNL provides landline services, GSM Services, Fixed and Mobile Services and Broad band Services, internet, leased Circuit etc. in Delhi and Mumbai through its 558 exchanges and other network with Equipped capacity of 10.72 Million.

It has two wholly owned subsidiaries namely Millennium Telecom Ltd. (MTL) and Mahanagar Telephone Mauritius Ltd. The company also has two financial Joint Ventures namely United Telecom Ltd. with a share of 26.68% with VSNL, TCIL and NVPL (Local Partner in Nepal) to provide CDMA based basic service in Nepal; and MTNL STPI IT Services Ltd. with STPI, a Society under D/o Information Technology with 50:50 partnership.

Performance Highlights

The physical performance of the company during the last three years is given below:

Main Services	Unit	Performance during		
		2013-14	2012-13	2011-12
Fixed Landline	No. of Subscribers	3542075	3460049	3457729
	Market Share %	57.59	58.28	60.84
GSM	No. of Subscribers	3245089	4819942	5585082
	Market Share %	5.93	8.99	11.18
Fixed and Mobile services	No. of Subscribers	127247	1092230	1092230
Broadband	No. of Subscribers	1171501	1118942	10,40,191

Total Revenue of the company registered an increase of ₹158.07 crore during 2013-14, which went up to ₹3872.15 crore in 2013-14 from ₹3714.08 crore in 2012-13 (Fig1) due to increase in other income. The profit of the company has gone up by ₹13141.84 crore to ₹7820.72 crore in 2013-14, from a loss of ₹(-) 5321.12 crore in previous year due to exceptional entry of ₹11620.70 crore due to amortization of intangible assets, provision written back – pension and gratuity etc.

The current ratio of company is at 0.26:1 during 2013-14 as against 0.20:1 in the previous year. Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2011-12 to 2013-14 can be seen on the adjoining page.

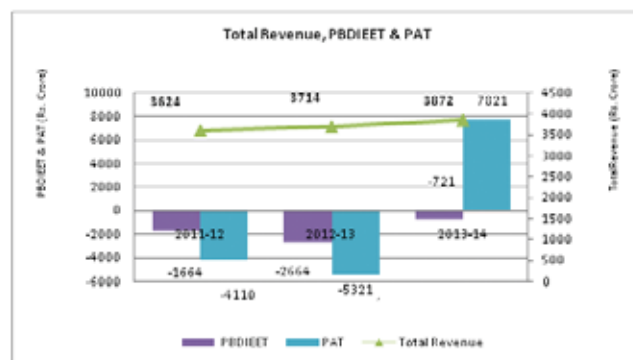


Fig.1

Strategic issues

- Declining Tariff rates,
- Changing Technology,
- Competitive Market

MAHANAGAR TELEPHONE NIGAM LTD.

BALANCE SHEET			
(₹ in Lakhs)			
PARTICULARS	2013-14	2012-13	2011-12
I. EQUITY & LIABILITIES			
AUTHORISED CAPITAL	80000	80000	80000
(1) Shareholders' Funds			
(a) Share Capital			
(i) Central Govt	35438	35437	35437
(ii) Others	27562	27563	27563
(b) Reserves & Surplus	441274	-341442	190671
(c) Money received against share warrants	0	0	0
Total Shareholders' Funds (1(a)+1(b)+1(c))	504274	-278442	253671
(2) Share application money pending allotment	0	0	0
(3) Non-current Liabilities			
(a) Long Term Borrowings	811000	693735	700000
(b) Deferred tax liabilities (Net)	150	0	0
(c) Other Long-term liabilities	321358	314149	293498
(d) Long-term provisions	179404	1077283	820478
Total Non-Current Liabilities 3(a) to 3(d)	1311912	2085167	1813976
(4) Current Liabilities			
(a) Short Term Borrowings	601641	460133	264749
(b) Trade Payables	23018	20550	25594
(c) Other current liabilities	289854	288932	252388
(d) Short-term provisions	21225	58711	80335
Total Current Liabilities 4(a) to 4(d)	935738	828326	623066
TOTAL EQUITY & LIABILITIES (1+2+3+4)	2751924	2635051	2690713
II. ASSETS			
(1) Non-Current Assets			
(a) Total Gross Fixed Assets	2698849	3067002	3011701
(ai) Accumulated Depreciation, Depletion & Amortisation	1561127	1577084	1435683
(aii) Accumulated Impairment	0	0	0
(b) Total Net Fixed Assets ((a)-(ai)-(aii))	1137721	1489918	1576018
(c) Capital work in progress	40790	93224	89700
(d) Intangible assets under development	0	0	0
(e) Non-Current Investments	4000	20198	22198
(f) Deferred Tax Assets (Net)	0	0	0
(g) Long Term Loans and Advances	900746	494011	493669
(h) Other Non-Current Assets	426963	370364	316953
Total Non-Current Assets (b+c+d+e+f+g+h)	2510220	2467715	2498538
(2) Current Assets			
(a) Current Investments	2000	2000	27000
(b) Inventories	7195	8195	10056
(c) Trade Receivables	30426	38100	32883
(d) Cash & Bank Balance	26310	10989	8683
(e) Short-term Loans & Advances	144477	75976	80429
(f) Other Current Assets	31295	32076	33124
Total Current Assets (a+b+c+d+e+f)	241704	167336	192175
TOTAL ASSETS (1+2)	2751924	2635051	2690713
Important Indicators			
(i) Investment	874000	756735	763000
(ii) Capital Employed	1315274	415293	953671
(iii) Net Worth	504274	-278442	253671
(iv) Net Current Assets	-694034	-660990	-430891
(v) Cost of Sales	577457	784989	676685
(vi) Net Value Added (at market price)	1273208	112988	90390
(vii) Total Regular Employees (Nos.)	36523	39264	41591
(viii) Avg. Monthly Emoluments per Employee(₹)	59747	104026	74366

PROFIT & LOSS ACCOUNT			
(₹ in Lakhs)			
PARTICULARS	2013-14	2012-13	2011-12
(I) Revenue from Operations (Gross)	347566	342866	337325
Less : Excise Duty	0	0	0
Revenue from Operations (Net)	347566	342866	337325
(II) Other Income	39649	28542	25116
(III) Total Revenue (I+II)	387215	371408	362441
(IV) Expenditure on:			
(a) Cost of materials consumed	0	0	0
(b) Purchase of stock-in-trade	0	0	0
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	0	0	0
(d) Stores & Spares	0	0	0
(e) Power & Fuel	26824	24471	21353
(f) Salary, Wages & Benefits/Employees Expense	261857	490137	371156
(g) Other Operating/direct/manufacturing Expenses	85178	24934	20339
(h) Rent, Royalty & Cess	9074	8459	8101
(i) Loss on sale of Assets/Investments	982	505	1818
(j) Other Expenses	75372	89295	106114
Total Expenditure (IV (a to j))	459287	637801	528881
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	-72072	-266393	-166440
(VI) Depreciation, Depletion & Amortisation	119152	147693	149622
(VII) Impairment	0	0	0
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIEET)(V-VI-VII)	-191224	-414086	-316062
(IX) Finance Cost			
(a) On Central Government Loans	0	0	0
(b) On Foreign Loans	0	0	0
(c) Others	139079	118026	94916
(d) Less Finance Cost Capitalised	0	0	0
(e) Charged to P & L Account (a+b+c+d)	139079	118026	94916
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBEET)(VIII-IXe)	-330303	-532112	-410978
(XI) Exceptional Items	-1162070	0	0
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	831767	-532112	-410978
(XIII) Extra-Ordinary Items	0	0	0
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	831767	-532112	-410978
(XV) TAX PROVISIONS	49695	0	0
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	782072	-532112	-410978
(XVII) Profit/Loss from discontinuing operations	0	0	0
(XVIII) Tax expenses of discontinuing operations	0	0	0
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0
(XX) Profit/Loss for the period (XVI+XIX)	782072	-532112	-410978
Financial Ratios			
(i) Sales : Capital Employed	26.43	82.56	35.37
(ii) Cost of Sales : Sales	166.14	228.95	200.6
(iii) Salary/Wages : Sales	75.34	142.95	110.03
(iv) Net Profit : Net Worth	155.09	-	-162.01
(v) Debt : Equity	12.87	11.01	11.11
(vi) Current Ratio	0.26	0.2	0.31
(vii) Trade Receivables : Sales	8.75	11.11	9.75
(viii) Total Inventory : Sales	2.07	2.39	2.98

Millennium Telecom Limited

Telephone House, 15th Floor, V.S.Marg, Dadar (W), Mumbai, Maharashtra-400028
www.mtnl.net.in

The Company

Millennium Telecom Limited (MTL) was incorporated by the Mahanagar Telephone Nigam Ltd. as a subsidiary company on 22.11.2000 with an objective to provide Internet / Intranet and Information Technology and other value added services in India and abroad.

It is an un-categorized CPSE in Telecommunication Services sector under the administrative control of M/o Communication and Information Technology, D/o Telecommunications. Its Registered and Corporate offices are at Mumbai, Maharashtra. The Officers of MTNL are looking after work of Millennium Telecom Ltd. in addition to their existing duties & responsibilities. MTL is currently a wholly owned subsidiary of Mahanagar Telephone Nigam Ltd (MTNL).

Vision / Mission

The Vision of the company is to help organization to realize their potential. And the mission of the company is to become a world class service provider in the field of internet

Industrial / Business Operations

MTL was formed by MTNL as its wholly owned subsidiary company basically for providing internet and other value added services in the year 2000. During the financial year 2013-14 the Board of MTNL has proposed to take up new business for increasing the revenue and making the company profitable simultaneously. Some of the new work orders being undertaken by the company such as recovery case of CWG project of MTNL, Non- Telecom component work in MTNL's contracts / projects to be awarded to MTL on nomination basis, Video surveillance contract bagged by MTNL to be given to MTL on nomination basis, to start Bundled Service for MTNL products / services., to undertake the Disaster Management Service of the Government of Maharashtra and Govt. of Gujarat., to undertake Infrastructure Leasing Business of MTNL Mumbai, to undertake the data centres Leasing /Hiring of MTNL and other PSU telcos like M/S BSNL, ITI, MSITS, to undertake remote monitoring of customer network, to undertake capacity building and skill development programme, to perform end – to-end ICT Solution provider alongwith operation & maintenance etc.

Performance Highlights

Total Revenue of the company registered a decrease of ₹-0.02 crore during 2013-14, which gone down to ₹0.18 crore in 2013-14 from ₹0.20 crore in 2012-13 (Fig1). The company has shown a loss of ₹(-) 0.17 crore in 2013-14 as against ₹-0.20 crore in 2012-13. The company

has no operating income during last three years. The income earned is via interest on Fixed Deposits.

The current ratio of company is at 3.11:1 during 2013-14 as against 6.72:1 in the previous year. Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2011-12 to 2013-14 can be seen on the adjoining page.

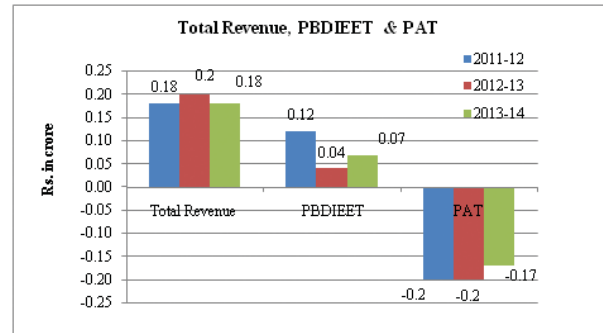


Fig. 1

Strategic issues

The Board of MTL has now decided to enter into new lines of business which could be E-Tendering services (online Tendering Services), Sale of ISP packs and collection from Cyber café services, Dial up services, ISDN UP services, Lease Line Service, Web page hosting service, Web server hosting service, Internet kiosks, On-line registration of new telephone connection, presentation and bill payment service, Internet Access on Broadband, Portal Services, Virtual Private Network Services, Certification Gateway for digital signatures to enable E-commerce transactions, High speed ATM services for LAN interconnection, Video on demand, Video Conferencing, Telemedicine, Distance Education and Bandwidth on demand, Data Centre/Call Center.

MILLENNIUM TELECOM LTD.

BALANCE SHEET			
	(₹ in Lakhs)		
PARTICULARS	2013-14	2012-13	2011-12
I. EQUITY & LIABILITIES			
AUTHORISED CAPITAL	10000	10000	10000
(1) Shareholders' Funds			
(a) Share Capital			
(i) Central Govt	0	0	0
(ii) Others	288	288	288
(b) Reserves & Surplus	174	193	213
(c) Money received against share warrants	0	0	0
Total Shareholders' Funds (1(a)+1(b)+1(c))	462	481	501
(2) Share application money pending allotment	0	0	0
(3) Non-current Liabilities			
(a) Long Term Borrowings	0	0	0
(b) Deferred tax liabilities (Net)	0	0	1
(c) Other Long-term liabilities	0	87	0
(d) Long-term provisions	0	0	0
Total Non-Current Liabilities 3(a) to 3(d)	0	87	1
(4) Current Liabilities			
(a) Short Term Borrowings	24	57	53
(b) Trade Payables	30	0	27
(c) Other current liabilities	62	0	49
(d) Short-term provisions	0	0	0
Total Current Liabilities 4(a) to 4(d)	116	57	129
TOTAL EQUITY & LIABILITIES (1+2+3+4)	578	625	631
II. ASSETS			
(1) Non-Current Assets			
(a) Total Gross Fixed Assets	38	38	38
(ai) Accumulated Depreciation, Depletion & Amortisation	34	34	33
(aii) Accumulated Impairment	0	0	0
(b) Total Net Fixed Assets ((a)-(ai)-(aii))	4	4	5
(c) Capital work in progress	0	0	0
(d) Intangible assets under developmet	0	0	0
(e) Non-Current Investments	0	0	0
(f) Deferred Tax Assets (Net)	0	0	0
(g) Long Term Loans and Advances	168	170	142
(h) Other Non-Current Assets	45	68	90
Total Non-Current Assets (b+c+d+e+f+g+h)	217	242	237
(2) Current Assets			
(a) Current Investments	0	0	0
(b) Inventories	0	0	0
(c) Trade Recievables	136	136	137
(d) Cash & Bank Balance	220	243	253
(e) Short-term Loans & Advances	1	1	2
(f) Other Current Assets	4	3	2
Total Current Assets (a+b+c+d+e+f)	361	383	394
TOTAL ASSETS (1+2)	578	625	631
Important Indicators			
(i) Investment	288	288	288
(ii) Capital Employed	462	481	501
(iii) Net Worth	462	481	501
(iv) Net Current Assets	245	326	265
(v) Cost of Sales	12	17	8
(vi) Net Value Added (at market price)	-17	-20	-13
(vii) Total Regular Employees (Nos.)	0	0	0
(viii) Avg. Monthly Emoluments per Employee(₹)	0	0	0

2013-14 PROVISIONAL

PROFIT & LOSS ACCOUNT			
	(₹ in Lakhs)		
PARTICULARS	2013-14	2012-13	2011-12
(I) Revenue from Operations (Gross)	0	20	0
Less : Excise Duty	0	0	0
Revenue from Operations (Net)	0	20	0
(II) Other Income	18	0	18
(III) Total Revenue (I+II)	18	20	18
(IV) Expenditure on:			
(a) Cost of materials consumed	0	0	0
(b) Purchase of stock-in-trade	0	0	0
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	0	0	0
(d) Stores & Spares	0	0	0
(e) Power & Fuel	0	0	0
(f) Salary, Wages & Benefits/Employees Expense	0	0	0
(g) Other Operating/direct/manufacturing Expenses	11	0	0
(h) Rent, Royalty & Cess	0	0	0
(i) Loss on sale of Assets/Investments	0	0	0
(j) Other Expenses	0	16	6
Total Expenditure (IV (a to j))	11	16	6
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDIEET)(III-IV)	7	4	12
(VI) Depreciation, Depletion & Amortisation	1	1	2
(VII) Impairment	0	0	0
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIEET)(V-VI-VII)	6	3	10
(IX) Finance Cost			
(a) On Central Government Loans	0	0	0
(b) On Foreign Loans	0	0	0
(c) Others	0	0	0
(d) Less Finance Cost Capitalised	0	0	0
(e) Charged to P & L Account (a+b+c+d)	0	0	0
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBEET)(VIII-IXe)	6	3	10
(XI) Exceptional Items	23	23	23
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	-17	-20	-13
(XIII) Extra-Ordinary Items	0	0	0
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	-17	-20	-13
(XV) TAX PROVISIONS	0	0	7
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	-17	-20	-20
(XVII) Profit/Loss from discontinuing operations	0	0	0
(XVIII) Tax expenses of discontinuing operations	0	0	0
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0
(XX) Profit/Loss for the period (XVI+XIX)	-17	-20	-20
Financial Ratios			
(i) Sales : Capital Employed	0	4.16	0
(ii) Cost of Sales : Sales	0	85	0
(iii) Salary/Wages : Sales	0	0	0
(iv) Net Profit : Net Worth	-3.68	-4.16	-3.99
(v) Debt : Equity	0	0	0
(vi) Current Ratio	3.11	6.72	3.05
(vii) Trade Recievables : Sales	0	680	0
(viii) Total Inventory : Sales	0	0	0

RailTel Corporation of India Limited

10th Floor, Bank of Baroda Building, 16, Sansad Marg, New Delhi-110001
www.railtelindia.com

The Company

RailTel Corporation of India Limited (RailTel) was incorporated on 26.09.2000 with the objective of expeditiously modernizing Railways' train control, operational safety systems & network, creating nationwide broadband telecom and multimedia network to supplement national telecom infrastructure to spur growth of telecom, internet and IT enabled value added services, and generating revenue through commercial exploitation of its network and to building up nationwide telecom infrastructure through national knowledge network, to extend connectivity to panchayats for providing broadband reach in rural & remote areas.

RailTel is a Schedule 'A' Miniratna CPSE in Telecommunication Services sector under the administrative control of M/o Railways with 100% shareholding by the Government of India. The company employed 522 regular employees (Executives 514, Non-executives 8) as on 31.3.2014. Its Registered and Corporate offices are at New Delhi.

Vision / Mission

The Vision of the Company is to become preferred telecom solution and services provider for knowledge economy.

The Mission of the Company is to attain leadership in providing premier telecom infrastructure service by offering cost-effective state-of-the-art communication solutions.

Industrial / Business Operations

The main activities of the company include facilitating Railways in expeditious modernizing of their operation and safety systems and network by providing state of the art communication infrastructure. RailTel is one of the largest neutral telecom infrastructure providers in the country owning a Pan-India optic fiber network on exclusive Right of Way (ROW) along Railway Track. The OFC network covers all important towns and cities of the country and several rural areas covering 70% of India's population.

The OFC network of RailTel presently connects to over 4200 Railway stations of country. RailTel offers wide gamut of managed telecom services to Indian Telecom market including Managed lease lines, Tower colocation, MPLS based IP-VPN, Internet, Tele presence and NGN based voice carriage services to Telecom Operators, Internet Service Providers, MSOs, Enterprises, Banks, Govt. Institutions/dept., Educational Institutions/Universities, etc. RailTel has recently launched retail broadband services Railwire on a pan-India basis.

Performance Highlights

The physical performances of the company for last three years are given below:

Main Services	Unit	Performance during		
		2013-14	2012-13	2011-12
Total Capacity Leased	Gbps of bandwidth	N.A.	175	115
Telecom Services, Project execution	Rs. in Crore	453.27	347.42	-

Total Revenue of the company registered an increase of ₹102.15 crore during 2013-14, which went up to ₹537.73 crore in 2013-14 from ₹435.58 crore in 2012-13. The profit of the company has also gone up by ₹26.34 crore to ₹137.93 crore in 2013-14, from ₹111.59 crore in previous year due to increase in operating income.

Return on Net Worth of the company has increased to 15.11% in 2013-14 from 14.01% in 2012-13. Net profit Ratio of the company has decreased to 30.43% in 2013-14 from 30.82% in 2012-13(Fig.2).

The current ratio of company is at 2.85:1 during 2013-14 as against 3.08:1 in the previous year. Balance Sheet and Profit & Loss Account of the company and selected financial ratios during the period 2011-12 to 2013-14 can be seen on the adjoining page.

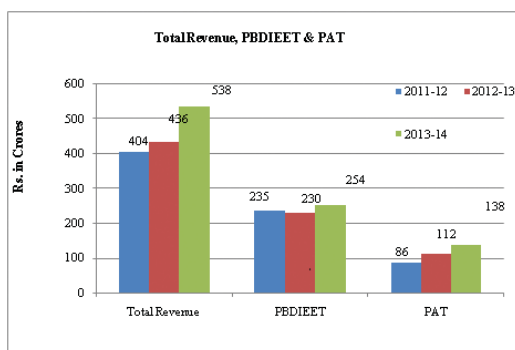


Fig.1

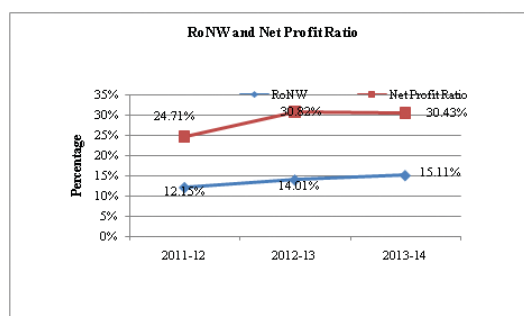


Fig.2

Strategic issue

To enter into consultancy services, Railway signalling projects, broadband services & various VAS like Tele-presence and other using Data Center facility. To provide complete network solutions to Govt. high volume projects. RailTel has reoriented itself from Project & Operations centric org. to Sales & Customer Service focused org. To establish National NOC for Lease line, VPN & other services with centralized provisioning of customer network powered by OSS/BSS solutions. To develop high bandwidth streams to achieve economy of scales to lower per unit bandwidth cost and focusing on bulk BW leasing.

RAILTEL CORPORATION OF INDIA LTD.

BALANCE SHEET		(₹ in Lakhs)		
PARTICULARS	2013-14	2012-13	2011-12	
I. EQUITY & LIABILITIES				
AUTHORISED CAPITAL	100000	100000	100000	
(1) Shareholders' Funds				
(a) Share Capital				
(i) Central Govt	32094	32094	32094	
(ii) Others	0	0	0	
(b) Reserves & Surplus	59188	47567	38151	
(c) Money received against share warrants	0	0	0	
Total Shareholders' Funds (1(a)+1(b)+1(c))	91282	79661	70245	
(2) Share application money pending allotment	0	0	432	
(3) Non-current Liabilities				
(a) Long Term Borrowings	0	0	6296	
(b) Deferred tax liabilities (Net)	0	28	126	
(c) Other Long-term liabilities	70702	72860	59491	
(d) Long-term provisions	467	661	467	
Total Non-Current Liabilities 3(a) to 3(d)	71169	73549	66380	
(4) Current Liabilities				
(a) Short Term Borrowings	0	0	57	
(b) Trade Payables	11783	6107	4842	
(c) Other current liabilities	19612	25897	18002	
(d) Short-term provisions	11642	6868	5089	
Total Current Liabilities 4(a) to 4(d)	43037	38872	27990	
TOTAL EQUITY & LIABILITIES (1+2+3+4)	205488	192082	165047	
II. ASSETS				
(1) Non-Current Assets				
(a) Total Gross Fixed Assets	107839	98345	93835	
(ai) Accumulated Depreciation, Depletion & Amortisation	51128	42563	36889	
(aii) Accumulated Impairment	3071	3071	0	
(b) Total Net Fixed Assets ((a)-(ai)-(aii))	53640	52711	56946	
(c) Capital work in progress	6015	2722	3296	
(d) Intangible assets under developmet	0	0	0	
(e) Non-Current Investments	0	0	0	
(f) Deferred Tax Assets (Net)	145	0	0	
(g) Long Term Loans and Advances	1645	1313	1263	
(h) Other Non-Current Assets	21498	15571	0	
Total Non-Current Assets (b+c+d+e+f+g+h)	82943	72317	61505	
(2) Current Assets				
(a) Current Investments	0	0	0	
(b) Inventories	292	380	230	
(c) Trade Recievables	15387	9264	10688	
(d) Cash & Bank Balance	74390	81796	66889	
(e) Short-term Loans & Advances	28985	24352	22805	
(f) Other Current Assets	3491	3973	2930	
Total Current Assets (a+b+c+d+e+f)	122545	119765	103542	
TOTAL ASSETS (1+2)	205488	192082	165047	
Important Indicators				
(i) Investment	32094	32094	38822	
(ii) Capital Employed	91282	79661	76973	
(iii) Net Worth	91282	79661	70677	
(iv) Net Current Assets	79508	80893	75552	
(v) Cost of Sales	36882	29333	27903	
(vi) Net Value Added (at market price)	36256	19467	23464	
(vii) Total Regular Employees (Nos.)	522	428	270	
(viii) Avg. Monthly Emoluments per Employee(₹)	103879	90693	110864	

2013-14 PROVISIONAL

PROFIT & LOSS ACCOUNT		(₹ in Lakhs)		
PARTICULARS	2013-14	2012-13	2011-12	
(I) Revenue from Operations (Gross)	45327	36207	34742	
Less : Excise Duty	0	0	0	
Revenue from Operations (Net)	45327	36207	34742	
(II) Other Income	8446	7351	5655	
(III) Total Revenue (I+II)	53773	43558	40397	
(IV) Expenditure on:				
(a) Cost of materials consumed	0	0	64	
(b) Purchase of stock-in-trade	0	0	0	
(c) Changes in inventories of finished goods, work-in-progress and stock in trade	0	0	0	
(d) Stores & Spares	0	0	0	
(e) Power & Fuel	1147	1016	676	
(f) Salary, Wages & Benefits/Employees Expense	6507	4658	3592	
(g) Other Operating/direct/manufacturing Expenses	19276	12026	12194	
(h) Rent, Royalty & Cess	856	584	646	
(i) Loss on sale of Assets/Investments	0	0	0	
(j) Other Expenses	620	2228	-302	
Total Expenditure (IV (a to j))	28406	20512	16870	
(V) PROFIT BEFORE DEPRECIATION, & IMPAIRMENT, FINANCE CHARGES/INTEREST, EXCEPTIONAL & EXTRAORDINARY ITEMS & TAXES (PBDEET)(III-IV)	25367	23046	23527	
(VI) Depreciation, Depletion & Amortisation	8476	8821	10632	
(VII) Impairment	0	0	401	
(VIII) PROFIT BEFORE FINANCE COST/INTEREST, EXCEPTIONAL, EXTRA-ORDINARY ITEMS & TAXES (PBIEET)(V-VI-VII)	16891	14225	12494	
(IX) Finance Cost				
(a) On Central Government Loans	0	0	0	
(b) On Foreign Loans	0	0	0	
(c) Others	0	72	619	
(d) Less Finance Cost Capitalised	0	0	0	
(e) Charged to P & L Account (a+b+c+d)	0	72	619	
(X) PROFIT BEFORE EXCEPTIONAL & EXTRA-ORDINARY ITEMS & TAX (PBEET)(VIII-IXe)	16891	14153	11875	
(XI) Exceptional Items	0	0	1409	
(XII) PROFIT BEFORE EXTRA-ORDINARY ITEMS & TAX (PBET)(X-XI)	16891	14153	10466	
(XIII) Extra-Ordinary Items	0	0	0	
(XIV) PROFIT BEFORE TAX (PBT)(XII-XIII)	16891	14153	10466	
(XV) TAX PROVISIONS	3098	2994	1881	
(XVI) NET PROFIT / LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER TAX(XIV-XV)	13793	11159	8585	
(XVII) Profit/Loss from discontinuing operations	0	0	0	
(XVIII) Tax expenses of discontinuing operations	0	0	0	
(XIX) Profit/Loss from discontinuing operations (after Tax)(XVII-XVIII)	0	0	0	
(XX) Profit/Loss for the period (XVI+XIX)	13793	11159	8585	
Financial Ratios				
(i) Sales : Capital Employed	49.66	45.45	45.14	
(ii) Cost of Sales : Sales	81.37	81.01	80.31	
(iii) Salary/Wages : Sales	14.36	12.86	10.34	
(iv) Net Profit : Net Worth	15.11	14.01	12.15	
(v) Debt : Equity	0	0	0.19	
(vi) Current Ratio	2.85	3.08	3.7	
(vii) Trade Recievables : Sales	33.95	25.59	30.76	
(viii) Total Inventory : Sales	0.64	1.05	0.66	