Tamilnadu Telecommunications Limited

22nd Annual Report 2009-10

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Board of Directors Dr. (Tmt) S. Revathi Chairperson cum Director

Shri. M. Sengupta Managing Director
Shri. R.K. Upadhyay Director
Shri. K.B. Batra Director
Shri. Vimal Wakhlu Director

Shri. Vimal Wakhlu

Shri. B. Elangovan

Shri. B. Ramakrishnan (in place of Shri.B. Viswabarathy)

Director

Director

Shri. M. K. Jain Director (Nominee of the

Department of Telecom)

Registered Office : No.16, 1st Floor, Aziz Mulk 3rd Street,

Thousand Lights, Chennai - 600 006

Factory : E18B-E24, CMDA, Industrial Complex,

Maraimalai Nagar,

Pin – 603 209, Tamilnadu. Website: <u>www.ttlofc.in</u>

Bankers : State Bank of India, Andhra Bank, Punjab National Bank

Auditors : N.Sankaran & Co, Chartered Accountants,

1-A, Raja Annamalai Building,

No.72 (Old No.19), II Floor, Marshals Road,

Egmore, Chennai – 600 008.

Promoters Telecommunications Consultants India Limited,

TCIL Bhawan, Greater Kailash - I,

New Delhi – 110048

Tamilnadu Industrial Development Corpn. Ltd.,

19-A, Rukmani Lakshmipathy Road,

Egmore, Chennai - 600 008.

REGISTRAR & SHARE TRANSFER AGENTS

Cameo Corporate Services Limited "Subramanian Building" No.1, Club House Road, Chennai – 600 002 Phone: 044-28460390

Note: 1. No Gifts / Coupons will be distributed at the meeting.

2. Please bring your copy of the enclosed Annual Report to the meeting.

TAMILNADU TELECOMMUNICATIONS LIMITED

Registered Office: No. 16, 1st Floor, Aziz Mulk 3rd Street, Thousand Lights, Chennai - 600 006.

ATTENDANCE SLIP

Name of the Member :	
Name of the Proxy if Attending on behalf of the member	Pr
	al Meeting of the Company to be held on Tuesday, the 14th day of an Cultural Centre", No.74, Kasturi Ranga Road, (adjacent to Hotel
Chola Sheraton) Alwarpet, Chennai – 600 018.	an Outdrai Octilie , 110.74, Nastan Nanga Noad, (adjacent to Hotel
Ledger Folio No. DP ID* Client ID* No. of Shares * Applicable for members holding shares in dematerial	lised form.
	Member's / Proxy Signature (To be signed at the time of handing over the slip)
TAMU MADUTELE	
Registered Office: No. 16, 1st Floor, Aziz I	COMMUNICATIONS LIMITED Mulk 3rd Street, Thousand Lights, Chennai - 600 006. COXY FORM
Registered Office: No. 16, 1st Floor, Aziz N	Mulk 3rd Street, Thousand Lights, Chennai - 600 006.
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Registered Office: No. 16, 1st Floor, Aziz PPR I/We of	Mulk 3rd Street, Thousand Lights, Chennai - 600 006.
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Registered Office: No. 16, 1st Floor, Aziz No. 16, 1st	ANUIK 3rd Street, Thousand Lights, Chennai - 600 006. COXY FORM appoint appoint alf at the 22 nd Annual General Meeting of the Company to be held on the Auditorium at "Russian Cultural Centre", No.74, Kasturi Ranga
Registered Office: No. 16, 1st Floor, Aziz MPR I/We	Alf at the 22 nd Annual General Meeting of the Company to be held on the Auditorium at "Russian Cultural Centre", No.74, Kasturi Ranga
Registered Office: No. 16, 1st Floor, Aziz MPR I/We	Audik 3rd Street, Thousand Lights, Chennai - 600 006. COXY FORM appoint alf at the 22 nd Annual General Meeting of the Company to be held on the Auditorium at "Russian Cultural Centre", No.74, Kasturi Ranga Chennai – 600 018 or at any adjournment thereof.
Registered Office: No. 16, 1st Floor, Aziz MPR I/We	Audik 3rd Street, Thousand Lights, Chennai - 600 006. COXY FORM appoint appoint alf at the 22 nd Annual General Meeting of the Company to be held on the Auditorium at "Russian Cultural Centre", No.74, Kasturi Ranga Chennai – 600 018 or at any adjournment thereof.
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Note: The form duly completed should be deposited at the Registered Office of the Company, not later than 48 hrs before Meeting.

^{*} Applicable for members holding shares in dematerialised form.

Book Post

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If undelivered please return to:
TAMILNADU TELECOMMUNICATIONS LTD.,
No.16, 1st Floor, Aziz Mulk 3rd Street,
Thousand Lights, Chennai - 600 006.

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Members of Tamilnadu Telecommunications Limited is scheduled to be held at 3.00 P.M on Tuesday, 14th September 2010 in the Auditorium at "Russian Cultural Centre", No.74, Kasturi Ranga Road, Alwarpet, Chennai – 600 018 to transact the following business.

Ordinary Business

- 01. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2010, the Profit and Loss Account for the financial year ended on that date and the Director's Report and Auditor's Report.
- 02. To appoint Director in place of Shri.R.K.Upadhyay, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint Director in place of Shri. Vimal Wakhlu, who retires by rotation and being eligible, offers himself for re-appointment.

By order of the Board for TAMILNADU TELECOMMUNICATIONS LIMITED

Place : Chennai M. Sengupta
Date : 18.08.2010 Managing Director

Notes:

- 01. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. The proxy, in order to be effective, must be deposited / lodged at the Registered Office of the Company not less than 48 hours before the meeting. A form of proxy is given at the end of the Annual Report.
- 02. The Register of Members and the Share Transfer Books of the Company will remain closed from 10.09.2010 to 14.09.2010 (both days inclusive) in connection with the Annual General Meeting.
- 03. Members are requested to produce the enclosed attendance slip duly filled and signed as per the specimen signature recorded with the company for admission to the meeting hall.
- 04. Shareholders seeking any information with regard to accounts are requested to write to the company at least two days before the date of the meeting so as to enable the management to keep the information ready.
- 05. The shareholders may note that the dividend for the financial year ended 31st March 2001 which remain unpaid or unclaimed for a period of 7 years had

- been transferred to the Investor Education and Protection Fund established under Section 205C of the Companies Act, 1956.
- Members are requested to kindly bring their copy of the Annual Report to the Meeting.

Particulars of the Directors seeking reappointment in the forthcoming AGM pursuant to clause 49 of the Listing Agreement.

Brief profile of the Directors who retire by rotation and are eligible for re-appointment:

01. Shri R.K.Upadhyay, aged 56 years has been in the Board of the Company since September 2006. He is a Bachelor Degree holder in Technology and also holds MBA (Marketing Management) from IGNOU and M.Sc (DS) from Madras University. He has rich experience in monitoring and development of telecommunication projects with particular reference to project management and control in the cable industry. He holds NIL shares in TTL. The details of Directorships / Committee Membership in other companies

Name of the Companies	Nature of Interest
Telecommunications Consultants India Ltd, Delhi	Chairman and Managing Director
Bharti Hexacom Limited	Director
TBL International Limited	Director
United Telecom Limited	Director
TCIL Saudi Co.Limited	Director
TCIL Oman LLC	Director

02. Shri. Vimal Wakhlu, aged 54 Years has been in the Board of the Company since June 2007. He is a Bachelor Degree holder in Engineering and also holds MBA (Marketing) from IGNOU. He has very rich experience in the field of long distance communication including Satellite, Optical fibre, Analog and Digital microwave systems, co-axial systems, maritime communications, troposcatter communications, International Maintenance Centre, Data Communications, Analog and Digital Multiplexing in BSNL, DOT and Overseas Communications Service. He holds NIL shares in TTL. The details of Directorships / Committee Membership in other companies

Name of the Company	Nature of Interest	
Telecommunications Consultants India Ltd, Delhi	Director	
TBL International Ltd	Director	

TAMILNADU TELECOMMUNICATIONS LIMITED

REPORT OF DIRECTORS AND MANAGEMENT DISCUSSION & ANALYSIS

To

The Members

Your Directors present the Twenty second Annual Report, together with the Audited Accounts of the Company for the year ended 31st March 2010.

Financial Results

	()	Rs. in Lakhs)
	2009-10	2008-09
Net Sales	3503.20	1922.61
Other Income	104.30	79.66
Total Income	3607.50	2002.27
Total Expenditure	3191.73	2260.14
Finance Charges	386.90	291.62
Extraordinary item		31.59
Gross Profit / (Loss) after inte	rest	
before Depreciation & Tax	28.87	(517.90)
Depreciation	239.22	225.37
Provision for Taxation / Deferred	Tax	2.06
Net Profit / (Loss)	(210.35)	(745.33)

The net loss after Tax is Rs. 210.35 lakhs against net loss of Rs. 745.33 lakhs made during the previous year.

Review of Operations

During the year under review, the company's sales and other income was 3607.50 Lakhs. The entire turnover of the year is achieved from the Optical Fibre Unit. Your company managed to survive in the price war by implementing various cost-cutting and value engineering measures in the manufacturing operations.

Your Company successfully developed Tight Buffered Fiber, Drop Cable, Raiser Cable etc., with LSZH compound as per EU Standard to cater to the future needs of FTTH application in India.

You are aware that in accordance with the requirement of Sec.15 of the Sick Industrial companies (Special Provisions) Act. 1985, the company has made a reference in October 2004 to the Board for Industrial and Financial Reconstruction (BIFR) of the fact that the accumulated loss of the company at the end of the financial year 2003-04 has exceeded the entire net worth of the company. BIFR has declared the company as industrially sick and appointed State Bank of India as Operating Agency. You are also aware that the Company has submitted a Draft Rehabilitation Scheme (DRS) through the Operating Agency to BIFR which includes conversion of part of the loans of M/s. Telecommunications Consultants India Limited (TCIL) into equity to the extent of Rs. 1543.27 lakhs (1,54,32,700 equity shares of Rs.10 each at par), provision of bridge loan by TCIL to the extent of Rs.12.50

crores towards OTS to banks / working capital / capex, conversion of part of the loans of Consortium bankers (State Bank of India, Andhra Bank and Punjab National Bank) into equity to the extent of Rs. 758.33 lakhs (75,83,300 equity shares of Rs.10 each at par), OTS of part of the loans of Rs. 983.38 lakhs to Consortium bankers and waiver of balance loans of Rs. 979.71 lakhs by Consortium bankers. BIFR in its hearing held on 24.06.2010 has approved a sanctioned scheme for the Company and the above proposed conversions, payments and waiver have been considered in the sanctioned scheme. The summary proceedings of the BIFR hearing and the sanctioned scheme were issued by the BIFR on 21.07.2010 and implementation process has commenced. As per the sanctioned scheme approved by BIFR, the Board of Directors will be issuing the above equity shares to TCIL and Consortium bankers State Bank of India (42,47,500 equity shares), Andhra Bank (20,70,600 equity shares) and Punjab National Bank (12,65,200 equity shares) against conversion of its loans.

Market Scenario and Outlook

The Optical Fibre Cables market segment has been witnessing a growth rate of 12% year-on-year. MTNL and BSNL are both focusing on Fibre Termination To Home (FTTH) deployment as this gained momentum across the Globe. The demand for data services is increasing. The company expects that OF telecom cables sector to increase in volumes in the back-drop of the increased plan of BSNL for deployment of high fibre count OFC for inter exchange links and long-haul projects is likely to provide the much needed fillip for Ribbon type Optical Fibre Cables. This may reinforce and add to the competitive strength of the company which is one of the few players equipped to manufacture Ribbon type of OFC in India.

The demand outlook for the optical fibre cables was much encouraging during the year under review due to Government's Broadband Policy. The industry also expects the advent of Conditional Access System (CAS) and broadband applications to spur the growth of optical fibre cable networks in the coming years. In power sector ADSS cable applications are increasing day by day.

During the year under review your company has been able to export Optical Fibre Cables on favourable terms through the Company's promoters, i.e., TCIL for their projects abroad. The optic fibre industry at home is also poised for a period of significant growth and the demand is expected to match the current availability in the months to come. This favourable trend is expected to continue at least over the next few years. The company continues to take all initiatives to retain the competitive edge and be in a position to meet the requirements of the market. The medium / long-term prospects will augur well for the company. The company continues to emphasize on cost cutting through enhanced productivity, reduction in logistics and other costs. The company will continue its efforts to further prune all its fixed costs including administrative and discretionary overheads.

Cautionary Statement

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

Risk & Concern

The industry is facing challenging cost pressures due to overall reduction in sale value of cables. Costs of major raw materials are increasing as the market is volatile due to frequent changes in oil price. The competition within OFC business is becoming fierce due to emerging new technologies and frequent new product introductions in Optical fibre products which command competitive prices and preference in the market.

Directors.

In accordance with Sec.256 of the Companies Act, 1956, read with Articles 79 & 80 of the Articles of Association of the company, Shri R.K.Upadhyay, and Shri Vimal Wakhlu, will retire from the Directorship of the company by rotation and being eligible, offers themselves for reappointment.

During the year the following changes had taken place in the Board of the company: -

Dr.(Tmt). S.Revathi has been appointed as Director cum Chairperson of the Company w.e.f. 30.09.2009 in the place of Shri. P. Sivasankaran, IAS. Shri. B. Ramakrishnan has been replaced as director in place of Shri. B.Viswabarathy with effect from 31.12.2009.

Directors' Responsibility Statement

As required under Section 217(2AA) of the Companies Act, 1956, the Directors of the Company hereby state and confirm that -

- In the preparation of the annual accounts the applicable accounting standards had been followed.
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2010, and the loss of the Company for the year ended on that date.
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- They have prepared the annual accounts on a going concern basis.

Corporate Governance

A report on Corporate Governance with the Practising Company Secretaries Certificate on compliance with

conditions of the Corporate Governance has been attached to form part of the Annual Report.

Energy, Technology and Foreign Exchange.

Particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Sec.217(1)(e) of the Companies Act, 1956 are enclosed as part of the Report.

Personnel

None of the employees drew remuneration of Rs.24,00,000/- or more per annum / Rs.2,00,000/- or more per month during the year. This information is furnished as required under Sec.217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

Human Resources

Your company is glad to announce that the industrial relations continue to be very cordial. TTL has designated and implemented a large number of initiatives to build and improve knowledge base and competencies of employees at all levels. TTL has been encouraging its employees to come out with innovative suggestions, which will pave way for significant cost savings as well as overall development of the company.

Quality Management Systems

Your Directors are happy to report that as a commitment in meeting global quality standards, your company continued to have IS/ISO 9001:2000 certification and during the year has obtained upgraded version IS/ISO 9001:2008 quality management systems certification from Bureau of Indian Standards (Accredited by Raad Voor Accreditatie, Netherlands) and also during the year has obtained ISO 14001:2004 from Guardian Independent Certification Ltd (Registered in England and accredited by Member of the IAF MLA).

Internal Control System

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

Auditors

In terms of Section 619(2) of the Companies Act, 1956, the Comptroller and Auditor General of India (CAG) had appointed M/s. N.Sankaran & Co., Chartered Accountants as the Auditors of the company for the year 2009-10 at a remuneration of Rs. 30,000/- besides reimbursement of

TAMILNADU TELECOMMUNICATIONS LIMITED

traveling and out-of-pocket expenses at actuals, subject to the other items and conditions as specified by the CAG.

Auditors' Report

Clarification on Auditors observations is given below:

Para No. 4 The Company has Prepared the Financial Statements on "Going concern basis" despite substantial losses which exceeds net worth of Company as referred in Note No.3.

Though the Company has been referred to BIFR in the year 2004 which was subsequently registered as sick by BIFR during the year 2006, the Company with the financial support of TCIL is continuously in operation. The Operating Agency appointed by BIFR also has studied the possibility of revival of the Company and has submitted the final DRS to BIFR, as the Company would survive with the proposed restructuring proposed in the DRS. The Company also is striving hard to improve the operational and economic performance of the unit. Hence the accounts have been prepared on "Going concern basis" despite erosion of net worth of the Company. In the hearing held on 24.06.2010 BIFR has approved a Sanctioned Scheme for the Company.

Para No. 5 The Impact on the accounts could not be ascertained due to adjustments if any required on account of non confirmation of balances of Debtors, Creditors and Loans and Advances as referred in Note No.4.

Though the Company has sent request for confirmation of balances the same are subject to confirmation. However the Company is collecting its realizations regularly and do not see any scope for adjustments as observed by the statutory auditors.

Para No.6 No provision is made for an amount of Rs. 352 lakhs (Previous year Rs.352 lakhs) in the financial statements for certain long outstanding debtors for which the recoverability is dependent on judgement of Court of Law as referred to in Note No.5.

No provision is made in view of the arbitration proceeding completed against the purchaser for which the award is received in favour of the Company but has since been challenged by the Purchaser in the court. In one case the matter has been remitted by the Court to the Arbitrator for speaking orders and the decision is expected shortly, hopefully in favour of the Company.

Para No.7 The Company has not accounted the interest on secured loans obtained from the banks and financial institutions amounting to Rs. 297 lakhs (Previous year Rs. 346 lakhs) for the period April 09 to March 10 and cumulative interest not accounted amounting to Rs. 660 lakhs upto 31.03.2009 as referred in Note 9(i). Out of earlier years interest dues, the company have recognised Rs.46.72 lakhs of interest set off by banks out of

cash credit and margin money accounts as dues receivable from banks under loans and advances as referred to in Note 9(ii).

Due to sickness and cash crunch, the payment could not be made. Further the Consortium banks have approved the One Time Settlement (OTS) proposal with cut off date as 31.03.2007. Hence further interest is not applicable. The final Draft Rehabilitation Scheme (DRS) based on above OTS submitted to BIFR had been formally approved and BIFR has published the scheme in the newspaper 'The Hindu' Chennai edition on 21.04.2010 giving 60 days time for any objection / suggestion on the scheme. Next hearing of BIFR was fixed on 24.06.2010 in which BIFR has approved a Sanctioned Scheme for the Company, according to which the above interest beyond 31.03.2007 is not payable.

Sub para no. 7 The loss for the year would have been higher by the amounts in Note 6 & 7 above and consequential impact in accumulated losses in profit and loss account, reserves and surplus:

The debtors' outstanding case (referred as para no. 6 above) is in final stages of Arbitration / court case and is expected to be in favour of the Company. Regarding the Bankers' interest (referred as para no. 7 above) consortium bankers have already approved the OTS with cut off date as 31.03.2007 and the sanctioned scheme has been approved by BIFR in the hearing held on 24.06.2010. In view of this the Company is of the opinion that these will not have impact on the losses.

Item No.8 of the Annexure to the Auditors Report

According to the information and explanations provided by the management, the Company has taken a secured loan from one of the companies listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount due during the year and the amount due as at 31st March 2010 was Rs, 765.04 lakes

Due to severe sickness and cash crunch, the payment could not be made. However the Union Cabinet Committee has approved the scheme of converting part of the loans of TCIL into equity. BIFR also has approved the sanctioned scheme by which the above loan will be converted into equity.

Item No.9 of the Annexure to the Auditors Report

In our opinion the rate of interest and other terms and conditions on which the Loans have been taken from the company listed in the register maintained under section 301 of the Companies Act, are not, prima facie, pre-judicial to the interest of company. The interest over due amount as at 31st March 2010 is Rs. 431.79 Lakhs.

Due to sickness and cash crunch, the payment could not be made. However the sanctioned scheme for the Company has been approved by BIFR by which the above interest portion will be converted into equity. Item No.10 of the Annexure to the Auditors Report The company has defaulted in payment of principal to the company listed in the register maintained under section 301 of the Companies Act 1956. The principal overdue amount as at 31st March 2010 is Rs.765.04 Lakhs.

Due to cash crunch the payment could not be made. However this will be converted into equity as the sanctioned scheme has been approved by BIFR.

Item No. 11 of the Annexure to the Auditors Report According to the information and explanations given to us, the debt portfolio of the company was restructured through corporate debt restructuring scheme. As per the scheme, the company has defaulted the repayment of the dues to the financial institutions and banks. The principal overdue amount as at 31st March 2010 is Rs. 1194.53 Lakhs and the interest over due amount as at 31st March 2010 is Rs.15.01 Lakhs.

Due to severe sickness and cash crunch, the payment could not be made. Further, the banks have already approved the OTS scheme and a sanctioned scheme has been approved by BIFR for the Company. Hence this is not overdue.

Item No.15 of the Annexure to the Auditors Report According to the records of the Company, the Company is regular in depositing with appropriating authorities undisputed statutory dues including Provident Fund, Investor education protection fund, Employees State Insurance, Income-Tax, Sales-Tax, Wealth-Tax, Service Tax, Custom Duty, Excise -Duty, profession tax, Cess applicable to it. However, in respect of Provident Fund, Employees State Insurance, Tax Deducted at Source and Sales Tax

ANNEXURE TO THE DIRECTORS' REPORT

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

A. CONSERVATION OF ENERGY

a) Measure taken for Energy Conservation :

Maintaining power factor at optimum level, reducing loads whenever the machines are not running, saving light energy etc had been followed vigorously.

During the year Company had exported different types of cables like 6F, 9F, 12F, 24F, 36F and 48F Optical Fibre Cables to Seychelles and Kuwait.

B. TECHNOLOGY ABSORPTION

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

 Activities relating to exports: Initiatives are taken to increase exports, developments of there have been delays during the year. The company has not deducted the Tax deducted at source amount of Rs.37.13 lakhs (Previous year Rs.32.05 lakhs) cumulative for the year Rs. 107.07 lakhs (Previous Year Rs.69.94 lakhs)

Company is remitting regulary PF, ESI, Excise duty, Cess, Service tax, Sales tax, TDS etc., As the company is under sickness and due to cash crunch there is minor delay in few months. Regarding the major amount of TDS, this pertains to TDS on interest amount set off by lenders against the payable by it to TTL. Due to severe cash crunch, the company neither able to pay the interest nor effect TDS on the amount credited and set off.

Comments of the Comptroller and Auditor General

Comments of the Comptroller and Auditor General under Section 619(4) of the Companies Act, 1956 for the year ended 31st March 2010 are enclosed as part of the Report.

Acknowledgements

The Directors wish to place on record their sincere appreciation for the encouragement, assistance, support and co-operation given by Government of India, Government of Tamilnadu, Promoters and the Company's Bankers. The Directors appreciate your whole hearted efforts during the year and solicit your continued support and co-operation. Your Directors acknowledge the continued trust and confidence you have reposed in this company. They also wish to place on record their appreciation for the hard work put in by the employees at all levels.

for and on behalf of the Board M. Sengupta Managing Director

Place : Chennai. B. Elangovan
Date : 18.08.2010 Director

new exports markets for products and services and export plans. Continuous efforts are being made to procure export orders through TCIL as well as directly. A major thrust is being given to tap the export market.

b) Total Foreign Exchange Used and Earned:

(Rs. in Lakhs)

	2009-10	2008-09
Used	13.43	22.71
Earned	36.73	30.33

FORM A

(Form for disclosure of particulars with respect to conservation of energy $\mbox{\sc)}$

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

FORM B

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

TAMILNADU TELECOMMUNICATIONS LIMITED

A. Research and Development (R&D)

- Specific Areas in which the company carried out R&D activities.
 - Developed 900 microns Tight Buffered Fiber for indoor and outdoor applications using existing Ribbon making machine. With this, both Ribbon Cables as well as Tight Buffered Fiber can be manufactured through the same Ribbon making machine.
 - Developed Drop Cable 1Fiber / 2Fiber.
 - Developed Raiser Cable upto 36 Fibers
 - Developed Optical Fiber Cable for FTTH application as per BSNL specification no. GR/ OFC-19/01 FEB 2009:
 - 2 Fiber Optical Cable Type 1 Loose Tube 2.8mm dia with LSZH material 4mm dia.
 - ii) 2 Fiber Optical Cable Type 2 Flat Type 3.4+/-0.2mm x 2.0+/-0.2mm LSZH with APR 0.5mm x 2Nos.

The above cables have been developed with LSZH compound as per EU standard to cater to the future needs of FTTH application in India.

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

- The company is now fully geared up to meet the FTTH (Fibre To The Home) needs of the country.
- The company could capture sizeable quantity of export orders.

 The company is now became important bidder by participating through e-bidding for various Global requirements for the International clients.

3. Future Plan

- Getting Type Approval for Micro Duct Cables from BSNL.
- To obtain Type Approval for 576 High Count Metal Free OF Cable (Ribbon Type).
- To introduce new stranding line & sheathing line
- To install dual tower fiber drawing plant to enhance capacity as well as indigenous production of fiber
- To install facilities for production of OPGW cables for power sectors

4. Expenditure on R&D

Expenditure towards the R&D is Rs.365284/-.

- B. Technology absorption, adaptation and innovation.
 - Obtained Type Approval for 6F and 12F 652D Metal free OF Cable.
 - Obtained compatibility approval from BSNL for different source materials.
 - Infrastructure Assessment obtained from BSNL for inclusion of 12F Ribbon machine & Ribbon dimension measurement equipment.