

Limited Review Report of Tamil Nadu Telecommunications Limited
Review Report to The Board of Directors

1. We have reviewed the accompanying statement of unaudited financial results of TAMIL NADU TELECOMMUNICATIONS LIMITED for the period ended 30th September 2013 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. The Company has not provided for Deferred tax asset in respect of the timing difference on the depreciation of the fixed assets and other expenses that cause timing differences. The deferred tax asset as on September 30, 2013 works out to ₹1,26,131,484/-. This information indicates that if the deferred tax asset was provided on September 30, 2013, deferred tax asset would increase by ₹1,26,131,484/- and the net loss would decrease by ₹1,26,131,484/-. Consequently the Earnings per share would increase to 2.52.
4. Without qualifying our conclusion, we draw attention to Note No. 2 in the Notes to Accounts as at September 30, 2013. The company has accumulated losses of ₹ 79,32,99,690 has eroded the net worth of the company, indicating the existence of material uncertainty that may cast a doubt about the company's ability to continue as a going concern. The company has incurred a loss of ₹ 1,08,10,068 for the period under Review. Based on the mitigating factors discussed in the said note, the Management believes that the Going Concern assumption is appropriate.
5. Based on our review conducted as above, **except for the matter stated in Paragraph 3 above**, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards₁ and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Chennai
Date: 13.11.2013

For Ramesh and Ramachandran
Chartered Accountants
Firm No : 002981S

Y. Sridhar
Partner

M No: 28149

