

TWENTY THIRD

ANNUAL REPORT

2022-23

MILLENNIUM TELECOM LIMITED

(A Wholly Owned Subsidiary Company of MTNL)

CIN NO: U64200DL2000GOI333459

BOARD OF DIRECTORS

(AS ON 14/09/2023)

Shri Arvind Vadnerkar, Chairman & Director

Shri Sultan Ahmed, Director

Shri Deepak Mukherjee, Director

Shri Mukesh Kumar Chauhan, Director

COMPANY SECRETARY

Ratan Mani Sumit

AUDITORS

SATYA PRAKASH MANGAL & CO.

CHARTERED ACCOUNTANTS

A-2/51, SECOND FLOOR, SAFDARJUNG ENCLAVE, NEW DELHI, DELHI –110029

Mobile: +91-9818688200, 9312254987 Email: Info@spmca.com

REGISTERED & CORPORATE OFFICE

Room No. 4208, 4th Floor Mahanagar Doorsanchar Sadan, 9 CGO Complex,
Lodhi Road, New Delhi- 110003, Office Ph.: 011-24315087 Fax No:-011-24324243

MILLENNIUM TELECOM LIMITED (MTL)
(A Wholly Owned Subsidiary of MTNL)
CIN: U64200DL2000GOI333459

REGISTERED & CORPORATE OFFICE

Room No. 4208, 4th Floor Mahanagar Doorsanchar Sadan, 9 CGO Complex, Lodhi Road, New Delhi- 110003, Office Ph.: 011-24325029, Tel. No.:011-24319020, Fax No:- 011-24324243,E-mail:- mtnlcsco@gmail.com , coomtldelhi@mtl.in

NOTICE OF 23rd AGM

Notice is hereby given that the 23rd Annual General Meeting of the members of the **MILLENNIUM TELECOM LIMITED** will be held on **Thursday, 14th September, 2023 AT 3:00 PM** in Conference Room at 5th floor, Mahanagar Doorsanchar Sadan, 9 CGO Complex, Lodhi Road, New Delhi- 110003 to transact the following business:-

I. ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on 31st March 2023, including the Balance Sheet as at 31st March, 2023, the Statement of Profit & Loss Account for the year ended on that date together with the Cash Flow Statement and the reports of the Board of Directors and Auditors & CAG thereon.
2. To declare the final dividend of Rs 0.50/- per equity share for the year 2022-23
3. To appoint a Director in place of Shri Arvind Vadnerkar (DIN 08597016) who retires by rotation and being eligible, offers himself for reappointment.
4. To fix the remuneration of the Statutory Auditors of the Company appointed/to be appointed by the Comptroller & Auditor General of India for auditing the accounts of the Company for the Financial Year 2023-24.

In this connection to pass with or without modifications the following resolution, as an Ordinary Resolution:

“RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory Auditors of the Company appointed/to be appointed by the Comptroller and Auditor and General of India for the Financial Year 2023-24, as may be deemed fit”.

By order of the Board

For MILLENNIUM TELECOM LIMITED



(RATAN MANI SUMIT)
COMPANY SECRETARY

Place: NEW DELHI

Date: 14.09.2023

NOTE: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING [FORM OF PROXY IS ANNEXED]. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER

MILLENNIUM TELECOM LIMITED
(A wholly owned subsidiary of MTNL)

DIRECTOR'S REPORT

Dear Shareholders,

The Board of Directors of your Company have pleasure in presenting the 23rd Annual Report of your Company together with the Statement of Accounts and Auditors Report for the year ended on 31st March, 2023 and report as under:

FINANCIAL PERFORMANCE

During the Financial Year under report, your Company has registered a profit after tax of Rs 31,76,964 /- as against a profit after tax of Rs 19,78,963/- last year and has a reserve and surplus of Rs 3,07,10,755/- as against Rs 2,81,49,806/- last year.

TRANSFER TO RESERVES

For the period ended 31st March 2023, the Company has not transferred any sum to Reserve.

PERFORMANCE OF YOUR COMPANY FOR F.Y. 2022-23

Millennium Telecom Ltd. (MTL): a wholly owned subsidiary of Mahanagar Telephone Nigam Limited, a Government of India CPSE, registered office in New Delhi. MTL was incorporated in February 2000. ICT related Services being offered by MTL include Cloud services, Wi-Fi solution; Project on E-governance, Managed Services, Turnkey ICT solution, GIS based services, Capacity Building and Skill Development etc. MTL earned a net profit of Rs. 31.77 lakhs for the period ending 31st March 2023. MTL has also declared a dividend of Rs 14.38 Lakhs, which amounts to 5% of paid up capital. MTL's customer list includes Air India, Uttarkhand Government, J&K Government, Central University-(Mahendragarh) Haryana, UP Building and Other Constructions Workers Welfare Board (UP BOCWWB), Lucknow, Thane Municipal Corporation CIDCO, Film Division of India, Insurance Institute of India etc. MTL is also expanding its portfolio of service for providing generalized as well customized solutions to suit Government and Semi Government Institutions. MTL has empanelled Business Development Associates (BDAs) for 10 years through EOI. MTL has around 21 empanelled Business Development Associates (BDAs) for innovative projects in ICT related fields.

PERSONNEL

Your Company has not appointed any regular employee on its rolls. Some officers of MTNL have been nominated to take care of the work of your Company in addition to their existing duties & responsibilities. This is done for gearing up the company since lot of businesses are available in the market.

SHARE CAPITAL

There has been no change in the Share Capital and Shareholding of your Company. The paid-up Share Capital of your Company is Rs. 2,87,58,800/- (28,75,880 equity shares of Rs10/- each). All the shares are held by MTNL and its nominees.

SUBSIDIARIES/ ASSOCIATES OR JOINT VENTURES

During the period under review, No Company has become or ceased to be Subsidiary, Associates or Joint Venture of your Company.

SIGNIFICANT ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

There are no significant material orders passed by the Regulators / Courts /Tribunals which would impact the going concern status of your Company and its future operations.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM, IF ANY,

The provision of establishment of vigil mechanism is not applicable to your company.

DIVIDEND

The Board of Directors of your Company has recommended the payment of final dividend @ 5% on the paid up share capital of Rs. 2,87,58,800/- of the Company which works out to Rs 14, 37,940 i.e the Rs 0.50 per share on 28,75,880 no. of shares for the FY 2022-23.

TRANSFER OF UNCLAIMED/UNPAID AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

The provision relating to transfer to the Unclaimed/Unpaid Dividend amount to IEPF is not applicable to your company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) & 134(3)(C) of the Companies Act, 2013, the Directors to the best of their knowledge and belief confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 at the end of the financial year and of the profit or loss of the company for that period.
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF YOUR COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.

No material changes and commitment affecting the financial position of the company occurred between the end of the financial year to which these financial statements relate and the date of the report. There has been no Change in the nature of Business of your Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO.

The provisions of Section 134(m) of the Companies Act, 2013 is not applicable to your Company.

During the year, there was no foreign exchange earnings and expenditure in foreign exchange.

PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The provisions of Section 197(12) of Companies Act, 2013 read with Rule 5 of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, are not applicable to your company. There are no permanent employees in your company. All officers/officials of your company have been deputed from Holding Company i.e MTNL in addition to his/her own duties.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to your Company as there is no employee working in the company.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS IN THE FINANCIAL YEAR 2022-23

During the Financial Year 2022-23, four meetings of Board of directors of your company were held. Details of Board meetings are given below: -

Sl. No.	Meeting No.	Date	Place
1	102	26.05.2022	New Delhi
2	103	24.08.2022	New Delhi
3	104	20.12.2022	New Delhi
4	105	08.02.2023	New Delhi

The maximum interval between any two Board Meetings did not exceed 120 (One hundred and twenty) days. The details of attendance of each Director at Board Meetings are as follows:

S. No.	Name of the Director	Board Meetings	
		No. of Meetings held	No. of Meetings attended
1.	Shri Arvind Vadnerkar	4	4
2.	Shri Sultan Ahmed	4	2
3.	Shri Deepak Mukherjee	4	4
4.	Shri Bhim Singh	1	1
5.	Shri Mukesh Kumar Chauhan	2	2

SECRETARIAL STANDARDS

Your Company is comply with applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'meetings of the Board of Directors' and 'General Meetings.

DIRECTORS AND KEY MANAGERIAL PERSONNEL AND CHANGES AMONG THEM

Shri Arvind Vadnerkar, Shri Sultan Ahmed and Shri Deepak Mukherjee continues to be the Nominee Director of MTNL during the Financial Year 2022-23. Shri Bhim Singh ceased to be Director of the Company w.e.f. 24.08.2022. Shri Mukesh Kumar Chauhan has been appointed as Nominee Director of MTNL w.e.f. 08.11.2022.

Shri S.R.Sayal, Company Secretary of the Company ceased to be Company Secretary w.e.f. 28.02.2023 on account of superannuation. Shri Ratan Mani Sumit was appointed as Company Secretary of the Company w.e.f. 28.03.2023.

CHIEF OPERATING OFFICER (COO)

Shri M.L.Meghwal, GM (EB & LC), MTNL Mumbai and Shri A.R. Gupta, DGM (EB&MKTG) MTNL CO have been nominated as a Chief Operating Officer (COO) of your Company. They are holding the charge of COO in addition to their existing duties & responsibilities in MTNL.

EXTRACT OF ANNUAL RETURN UNDER SECTION 92(3) OF COMPANIES ACT, 2013 [(MGT-9) PURSUANT TO SECTION 134(3)(a) OF THE COMPANIES ACT,2013]

Pursuant to Section 134(3)(a) of Companies Act, 2013, Extract of Annual Return for the FY 2022-23 under Section 92(3) (in Form-MGT-9) of the Companies Act 2013 is annexed to this Report.

ESTABLISHMENT OF CSR POLICY AND RELATED DISCLOSURE / COMPLIANCES

The provision relating to establishment of CSR Policy and related disclosure/compliances are not applicable to your Company.

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

During the year under report, there were no loans given, guarantees provided or investments made by your Company under Section 186 of Companies Act, 2013.

FIXED DEPOSITS

During the year under report, your Company has not invited/accepted any fixed deposits and, as such, no amount of Principal or Interest was outstanding as on the Balance Sheet date on this account.

PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH REALTED PARTIES

During the period under review, your Company has not entered with any material transaction with any of its related parties. The Company's major Related Party Transactions are generally with its Holding Company i.e. MTNL. All Related Party Transactions were in ordinary course of Business and were negotiated on an Arm's Length basis and they were intended to further the Company's interest. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of Companies Act, 2013 in Form AOC-2 is not applicable. Details of Related Party

Transactions during the year ended 31st March 2023 is given in the Notes to the Financial Statement.

INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Report on the Internal Financial Control under Section 143(3)(1) of the Companies Act, 2013 for the FY 2022-23 is attached as annexure to the Independent Auditors Report which is part of the report.

DETAILS OF APPLICATION / ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Neither any application was made nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the Financial Year 2022-23.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, your company has not done any one time settlement with Banks/Financial Institutions, hence no disclosure is required.

FRAUD REPORTED BY AUDITORS

The Statutory Auditors have not reported any fraud during FY 2022-23 as specified under Second Proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being enforce).

STATUTORY AUDITORS

M/s Satya Prakash Mangal & Co. Chartered Accountants were appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Companies Act, 2013 as the Statutory Auditors of the Company for the FY 2022-23. The said Statutory Auditors have conducted the audits of the Books of Accounts of the Company and submitted their report, which forms part of the Annual Report.

MAINTENANCE OF COST RECORDS

The provision relating to maintain of Cost Records is not applicable to your Company.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013.

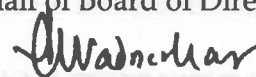
The Comptroller and Auditor General of India vide letter No. Rep – PSU A/cs/F- 351 /MTL/2022-23/ 37 dtd 28.08.2023 has conveyed comments on the Annual Accounts of the Millennium Telecom Limited (MTL) for the year ended on 31.03.2023 which is attached as Annexure to this Report. Reply to the Comments is also attached as Annexure to this report.

ACKNOWLEDGEMENT

The Board of Directors expresses its gratitude to the holding company i.e. MTNL, Department of Telecom (DoT) and other Govt. Ministries/Departments for their help, guidance and support extended to the company from time to time.

The Board feels pleasure in placing on record its sincere appreciation for the valuable services rendered by the management and officials of MTNL at all levels, in running the Company.

For and on behalf of Board of Directors.



ARVIND VADNERKAR
CHAIRMAN & DIRECTOR
DIN: 08597016

Place: New Delhi

Date: 14.9.2023

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON 31 MARCH, 2023

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

1. REGISTRATION AND OTHER DETAILS :

i. CIN:- U64200DL2000GOI333459

ii. Registration Date:- 17 February , 2000

iii. Name of the Company:- Millennium Telecom Limited

iv. Category/ Sub-Category of the Company:- Wholly Owned Subsidiary of MTNL.

v. Address of the Registered office and contacts details:- Room No. 4208, 4th Floor Mahanagar Doorsanchar Sadan, 9 CGO Complex, Lodhi Road, New Delhi-110003.

vi. Whether Listed Company Yes / No:- No

vii. Name, Address and Contact details of Registrar and Transfer Agent, If any:-
NA

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of the main products/ services	NIC Code of the Product/services	% to total turnover of the company
1	Information Technology/Data	892	92%

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr.	NAME AND	CIN/GLN	HOLDING	% OF	APPLIC
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Individual/H UF	0	0	0	0.00	0	0	0	0	0
b) Central Govt/ State Govt(s)	0	0	0	0.00	0	0	0	0	0
c) Bodies Corp. (MTNL)	0	2875 880	28758 80	100.0	0	28758 80	28758 80	100	0
d) Banks/FI	0	0	0	0.00	0	0	0	0	0
e) Any Other	0	0	0	0.00	0	0	0	0	0
Sub- total 1. (1):-	0	2875 880	28758 80	100	0	0	28758 80	28758 80	0
(2)Foreign									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0	0
b) Bodies Corp.	0	0	0	0.00	0	0	0	0	0
c)Bank/FI	0	0	0	0.00	0	0	0	0	0
d) Any other....	0	0	0	0.00	0	0	0	0	0
Sub- total(A) (2):-	0	0	0	0.00	0	0	0	0	0
Total shareholding of Promoter (A)=(A)(1)+(A) (2)	0	2875 880	28758 80	100	0	28758 80	28758 80	100	0
B. Public shareh olding	0	0	0	0.00	0	0	0	0.00	0
1.Institutions	0	0	0	0.00	0	0	0	0.00	0
Sub-total (B)(1):-	0	0	0	0.00	0	0	0	0.00	0
2. Non- Institutions	0	0	0	0.00	0	0	0	0.00	0

1.	Mahanagar Telephone Nigam Limited	2875880	100.00	Nil	2875880	100.0	Nil	NIL
	Total	2875880	100.00	Nil	2875880	100.0	Nil	NIL

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

Sr. No.		Shareholding at the Beginning of the year 01.04.2022		Cumulative Shareholding during the year (F.Y. 2022-23)	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2875880	100.00	2875880	100.00
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reason for increase/	NIL	NIL	NIL	NIL

	decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
	At the end of the year	2875880	100.00	2875880	100.00

(IV) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NOT APPLICABLE

(V) Shareholding of Directors and Key Managerial Personnel: NIL

(VI) INDEBTNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
Indebtness at the beginning of the financial(01.04.2022)				
i) Principal Amount	NIL	60,60,175	NIL	60,60,175
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	NIL	60,60,175	NIL	60,60,175

Change in Indebtness during the financial year • Addition • Reduction	-	-	-	-
Net Change	NIL	NIL	NIL	NIL
Indebtness at the end of the financial year (31.03.2023)				
i. Principal Amount	NIL	60,60,175	-	60,60,175
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	NIL	60,60,175	NIL	60,60,175

(VII) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

At Present there exist no employees on the roll of MTL.

A. Remuneration to other directors : Not Applicable

B. Remuneration to Key Managerial Personnel other than MD/Manager/WTD :
NA

(VIII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

NIL



SATYA PRAKASH MANGAL & CO.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To,

The Members of
Millennium Telecom Limited
4th Floor, Mahanagar Doorsanchar Sadan
9 CGO Complex, Lodhi Road
New Delhi, Delhi-110003

Report on the Audit of the Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of **M/s. Millennium Telecom Limited** ('the Company'), which comprise the Balance Sheet as on **31st March 2023**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter collectively referred to as "the aforesaid financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the '**Basis for Qualified Opinion**' section of our report, the aforesaid 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 prescribed under the section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March 2023**, the profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

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 Standalone 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a '**Basis for Qualified Opinion**' on the aforesaid financial statements.

i. Property, Plant & Equipments

- The company has not complied with the requirements of Ind AS-16: 'Property, Plant and Equipments' (PPE) w.r.t the decapitalisation of the items of Property, Plant and Equipments (PPE) when such items are fully depreciated and have no economic benefits in the future. Thus, the resultant impact of the same on the aforesaid financial statements of the Company would be overstatement of such items and understatement of loss to that extent.

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SATYA PRAKASH MANGAL & CO.
CHARTERED ACCOUNTANTS

ii. Deferred Tax Assets

- The non-compliance of items of Property, Plant & Equipments in accordance with the Ind AS-16 have also a consequential effect on the treatment of Deferred Tax Assets/Liabilities (Net) as covered under Ind AS-12: 'Income Taxes'. However, the consequential impact of adjustment, if any, owing to this non-compliance on the aforesaid financial statements is presently not ascertainable.

iii. Non-Current Assets

- The company claims that the balances of Income Tax Paid for Assessment Year (A.Y.) 2003-04, 2004-05 and 2005-06 are subject matter of the 'Vivad se Vishwas' (VSV) Scheme in accordance with Direct Tax Vivad se Vishwas Act, 2020 and Tax Deducted at Source (TDS) receivable for Assessment Year (A.Y.) 2016-17, 2017-18 & 2019-20, are due to be received from Income Tax Department. However, in the absence of the relevant audit evidences being made available to us, we could not verify the veracity of the claim and its consequential impact on the aforesaid financial statements is presently not ascertainable.

iv. Trade Receivables

- The Company has amount receivable of Rs. 98,42,822/- from its holding company i.e., Mahanagar Telephone Nigam Ltd. (MTNL). The amount recoverable from MTNL is subject to confirmation and reconciliation. In view of non-confirmation and non-reconciliation, we are not in a position to ascertain and comment on the correctness of the such balances and resultant impact of the same on the aforesaid financial statements of the Company.
- The Company has amount receivable of Rs. 5,59,685/-, 1,00,001/-, 28,39,002/-, 2,15,771/- and 58,200/- from Jammu & Kashmir E Gov, CIDCO Ltd and UP Building and Other Construction Worker Welfare Board, Cement Corporation of India and HPSEDC respectively. The amount receivable from mentioned parties is subject to confirmation and reconciliation. In view of non-reconciliation and non-confirmation, we are not in a position to ascertain and comment on the correctness of the such balances and resultant impact of the same on the aforesaid Ind AS financial statements of the Company.
- The Company has neither computed the Estimated Credit Loss (ECL) nor provided the relevant disclosures in Notes to Accounts as per Ind AS-109 'Financial Instruments'. However, the consequential impact of adjustment, if any, owing to this non-compliance on the aforesaid financial statements is presently not ascertainable.

v. Cash & Cash Equivalents

- The Company claims that ICICI Bank A/c number-000405016748 is having balance of Rs 1,00,825/- as on 31.03.2023. However, in view of non-confirmation from the concerned bank, we are not in a position to ascertain and comment on the correctness of the such balances and resultant impact of the same on the aforesaid financial statements of the Company.

vi. Other Financial Assets

- The Company has amount receivable of Rs. 1,74,213/-, 8,40,223/- and 6,63,275/- from 'Receivable from Related parties', 'Deposit with Thane Municipal Corporation' and 'Deposit with CIDCO' respectively. The amount receivable from mentioned parties is subject to confirmation and reconciliation. In view of non-confirmation and non-reconciliation, we are not in a position to ascertain and comment on the correctness of the such balances and resultant impact of the same on the aforesaid financial statements of the Company.

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vii. Current Tax Assets

- The company claims that the balances of Tax Deducted at Source (TDS) receivable for Assessment Year (A.Y.) 2007-08 and AY 2015-16, are due to be received from Income Tax Department. However, in the absence of the relevant audit evidences being made available to us, we could not verify the veracity of the claim and its consequential impact on the aforesaid financial statements is presently not ascertainable.

viii. Other Current Assets

- The Balances of CGST, SGST, IGST Cash and Credit Ledgers of Delhi and Mumbai units, as appearing under different heads on 31st March, 2023 are subject to reconciliation by the management. In view of non-reconciliation, we are not in a position to ascertain and comment on the correctness of the such balances and resultant impact of the same on the standalone Ind AS financial statements of the Company.
- The Company has not provided a provision for doubtful claims in respect of lapsed Cess Credit and Krishi Kalyan Cess Credit due to transition provisions under Goods and Service Tax (GST) Laws where the aforesaid credit amounting to Rs. 2,24,397/- has not been carried forward under GST Laws resulting in overstatement of current assets and understatement of loss to that extent.

ix. Trade Payables

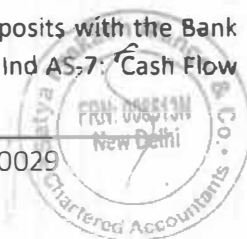
- The amounts payable of Rs.36,935/-, 1,00,000/- and 3,39,357/- to ITI Limited, Pentagon Network Solution Ltd and GAAP Education Pvt. Ltd. respectively is subject to confirmation and reconciliation. In view of non-confirmation and non-reconciliation, we are not in a position to ascertain and comment on the correctness of the such balances and resultant impact of the same on the standalone Ind AS financial statements of the Company.

x. Other Financial Liabilities

- The Company has amount payable of Rs. 60,60,175/- to its holding company i.e., Mahanagar Telephone Nigam Ltd. (MTNL). The amount payable to MTNL is subject to confirmation and reconciliation. In view of non-confirmation and non-reconciliation, we are not in a position to ascertain and comment on the correctness of the such balances and resultant impact of the same on the aforesaid financial statements of the Company.
- The account balance of Trade/Security Deposits of Rs. 2,35,71,901/- is subject to confirmation and reconciliation. In view of non-confirmation and non-reconciliation, we are not in a position to ascertain and comment on the correctness of the such balances and resultant impact of the same on the aforesaid financial statements of the Company.

xi. Miscellaneous

- The Company has not carried out any techno-economic assessment during the year ended 31 March 2023 and hence identification of impairment loss and provision thereof, if any, has not been made. The same is not in accordance with the notified Ind AS 36: 'Impairment of Assets'. The consequential impact of adjustment, if any, on the Standalone financial statements is not ascertainable.
- The Company has not identified and restated the prior year Financial Statements with regard to prior period transaction recorded in the current financial year which is in violation of Ind AS-8: 'Prior Period items. In the absence of specific details, the consequential impact of adjustments, if any, on the Standalone Financial Statements is presently not ascertainable.
- The Company has shown the Interest Income of Rs. 31,49,145/- from Fixed Deposits with the Bank under Operating Activities instead of Investing Activities which is in violation of Ind AS-7: Cash Flow





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Statement' and the financial impact would be overstatement under 'Cash Flow from Operating Activities' and understatement of 'Cash Flow from Investing Activities' by said amount.

- The Company has not complied with disclosure requirements of Ind AS-18: Revenue Recognition, Ind AS-37: Provisions, Contingent Liabilities and Contingent Assets and Ind AS-24: Related Party Disclosures w.r.t the Categorisation of Revenue, Litigations including Tax disputes as Contingent Liability, Each Class of Provisions and w.r.t list of Key Managerial Personnel (KMPs) respectively.
- The Company has not complied with the disclosures and other requirements of Division-II: Ind AS based Schedule-III (Revised) to the Companies Act, 2013 read with the Section 129, in respect of classification of assets/liabilities into current and non-current; categorization of assets/liabilities into appropriate captions, Functional and presentation currency, Additional Regulatory Information etc.
- The Company is using the resources of the holding company (MTNL) (Deputation of Employees in addition to his/her own duty, Information Technology (I.T.) System and Other Resources etc.). However, there is no booking of relevant expenses in the Statement of Profit and Loss Account on such usage/deployment. In the absence of specific details, the consequential impact of adjustments, if any, on the aforesaid financial statements is presently not ascertainable.
- There are certain items which are remaining static when compared to preceding financial year, without any cogent reasons/justification, which are as follows:
 - Service Tax Not due for Payable - 10.2%: Rs.3,10,945/-
 - Service Tax Not due for Payable - 5%: Rs.2,29,109/-
 - Provision for Bad Debts: Rs.2,73,971/-

Emphasis of Matter

Reference is invited to Note No.13 of the Notes to Accounts, whereby the Company has disclosed the encashment of one Fixed Deposit having Principal Value of Rs.10,00,000/- in the month of April, 2023 to meet its operational expenses.

Our report is not qualified on that matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a Whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, Changes in Equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the company and for preventing and detecting the frauds and other irregularities; section and application of appropriate accounting policies; making judgements and estimates that are responsible and prudent; and design, implementation and maintenance of internal financial control, 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. In preparing the standalone financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company Financial reporting process.

Auditor's Responsibility for the Audit of the Standalone 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 the 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 decision of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) 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.

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- 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 standalone financial statements or, if such disclosures are inadequate, to modify 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements. 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. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements:

1. As per the Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, and Section 197 is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197 (16) of the Act is not applicable on the Company.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we provide the "Annexure-A" statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
3. As required by section 143(5) of the Act, we report in "Annexure-B" a statement on the matters specified by the Comptroller and Auditor General of India (C&AG) w.r.t the Company.
4. As required by section 143(3) of the Act, 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 accompanying standalone financial statements;
 - b) Except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph, the proper books of account as required by law have been kept so far as it appears from our examination of those books;
 - c) The Company is having a Registered Office or Corporate Office in the state of Delhi only. Further, the company does not have any branch office in any state, however, the three units in different states namely Haryana, Uttar Pradesh, Maharashtra are existing for the purpose of Goods & Services Tax (GST) Laws;

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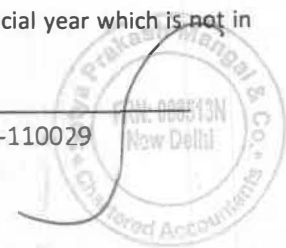
- d) Except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph, the accompanying standalone financial statements dealt with by this report are in agreement with the relevant books of accounts;
- e) Except for the effects/ possible effects of the matters described in the Basis for Qualified Opinion paragraph, the aforesaid standalone financial statements are complied with requirements of the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015;
- f) The matters described in the Basis for Qualified Opinion para above, may have an adverse effect on the functioning of the Company;
- g) Since, the Company is a Government Company, section 164(2) of the Companies Act, 2013 regarding obtaining written representations from the directors of the Company, is not applicable to the respective companies in terms of notification no. GSR-463(E), issued by Ministry of Corporate Affairs;
- h) The qualification relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph;
- i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate Report in "Annexure-C";
- j) 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us;
- The Company has not disclosed the impact of pending Tax litigations on its financial positions as on 31st March, 2023;
 - The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses as on 31st March, 2023;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended on 31st March, 2023;
 - (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 63 to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The company has declared/ paid dividend of Rs. 5,75,176/- during the financial year which is not in accordance with the section 123(4) of the Companies Act, 2013.

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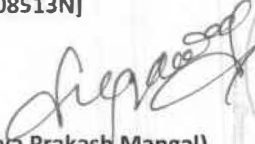
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For M/s. Satya Prakash Mangal & Co.
Chartered Accountants
[FRN:008513N]



(CA Satya Prakash Mangal)
M.No.: 086342
UDIN: 23086342BHADLQ5279
Place: New Delhi
Date: 29.05.2023

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ANNEXURE – 'A' TO THE AUDITOR'S REPORT
[Referred to in Our Report of even date]

On the basis of the information and explanation given to us during the course of our audit, we report that: -

- (i)
- (a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipments.
 - (b) The Company was not having any Intangible Asset hence comment on the maintenance of proper records showing full particulars of intangible assets is not applicable in this case.
 - (c) The management of the company is oblivious w.r.t the current location and condition of its Property, Plant and Equipments and has not physically verified such Property, Plant and Equipments during the year under audit.
 - (d) The Company is not holding any immovable property hence comment on the title deeds of immovable properties held in the name of the company is not applicable in this case.
- (ii) The Company was not having any inventory during the current financial year and at the end of the year and hence comment on physical verification of inventory by the management is not applicable for the year under audit.
- (iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, during the year under audit. Hence, the para 3(iii) of the Order is not applicable in this case.
- (iv) The Company has not granted loans or made investments, guarantees, and security as covered under the provisions of Sec.185 and 186 of the Companies Act, 2013 and rules made thereunder. Hence, the para 3(iv) of the Order is not applicable in this case.
- (v) The Company has not accepted any deposits from the public and amounts which are deemed to be deposits, hence 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 rules made thereunder are not applicable. Hence, the para 3(v) of the Order is not applicable in this case.
- (vi) The maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried out by the Company. Hence, the para 3(xi) of the Order is not applicable in this case.
- (vii)
- (a) The Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Goods & Service Tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. Further, no undisputed amounts payable in respect of material statutory dues were in arrears as on **31st March 2023** for a period of more than six months from the date on when they become payable, except the following:
 - Service Tax Not due for Payable - 10.2%: Rs.3,10,945/-
 - Service Tax Not due for Payable - 5%: Rs.2,29,109/-

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(b) There are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute other than the following:

Assessment Year	Demand (Rs.)	Amount Deposited (Rs.)	Amount under VSV Scheme (Rs.)
AY 2003-04	63,75,755	72,89,541	40,63,127
AY 2004-05	39,51,744	51,04,043	27,21,485
AY 2005-06	29,82,670	38,19,306	28,11,094
AY 2007-08	6,34,050	-	-

- The company has opted to settle the dispute the pending appeals before Hon'ble ITAT for AY 2003-04 to AY 2005-06 and filed the application under 'Vivad se Vishwas' (VSV) Scheme in accordance with Direct Tax Vivad se Vishwas Act, 2020 and rules made thereunder.
- The Commissioner of Income Tax (Appeals) has allowed appeal partly and appeal effect is still pending in respect of AY 2007-08.

(viii) The Company does not have any transactions, which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, the para 3(viii) of the order is not applicable in this case.

(ix) The Company does not have any loans or borrowings from any banks, financial institutions and Government during the year under audit. Accordingly, the para 3(ix) of the order is not applicable in this case.

(x) The Company has not raised money by way of initial public offer or further public offer including debt instruments during the year under audit. Further, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, the para 3 (x) of the Order is not applicable to the Company and hence not commented upon.

(xi)

- (a) No fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year under audit.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) No whistle-blower complaints have been received by the company during the year under audit.

(xii) The Company is not a Nidhi Company as per Section 406 of the Companies Act, 2013 and rules made thereunder. Hence, the para 3(xii) of the Order is not applicable to this case.

(xiii) The company has not entered any transaction with the related parties during the year under audit (other than the payment of dividend), as specified under sections 177 and 188 of the Companies Act, 2013 and rules made thereunder. However, the disclosures requirements as required by the applicable accounting standards (Ind AS-24) in the financial statements are not properly complied by the company.

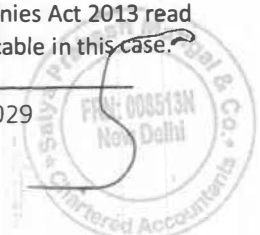
(xiv) The company is not required to appoint the Internal Auditors as per Sec. 138 of Indian Companies Act 2013 read with Rule 13 Of Companies (Accounts) Rules, 2014. Hence, the para 3(xiv) of the Order is not applicable in this case.

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(xv) The company has not entered into any non-cash transactions with directors or persons connected with him. Hence, the para 3(xv) of the Order is not applicable in this case.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Further, it has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(xvii) The company has incurred cash losses in the current financial year as well as in the immediately preceding financial year, the details of which are as follows:

Particulars	FY 2022-23	FY 2021-22
Net Cash Flow from Operating Activities	-	-
Net Cash Flow from Investing Activities	-	-
Net Cash Flow from Financing Activities	(5,75,766)	(2,18,568)

Note: The values are restated under 'Cash Flow from Financial Activities' for Financial year 2021-22.

(xviii) There has not been any resignation of the statutory auditors during the year under audit. Hence, the para 3(xviii) of the Order is not applicable in this case.

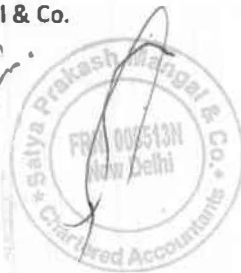
(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, there is no material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) The requirements of the Sec.135 of the Companies Act, 2013 and rules made thereunder is not applicable to the Companies Act, 2013 and rules made thereunder. Hence, the para 3(xx) of the Order is not applicable in this case.

(xxi) This clause is applicable only for the purpose of reporting in case of consolidated financial statements. Hence, the para 3(xxi) of the Order is not applicable in this case.

For M/s. Satya Prakash Mangal & Co.
Chartered Accountants
[FRN:008513N]

(CA Satya Prakash Mangal)
M.No.: 086342
UDIN: 23086342BHADLQ5279
Place: New Delhi
Date: 29.05.2023



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ANNEXURE - 'B' TO THE AUDITOR'S REPORT
[Referred to in Our Report of even date]

We report our point-wise audit observation for each direction under Section 143(5) of the Companies Act, 2013 issued by the Comptroller and Auditor General of India, as under:

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.

According to the information and explanation given to us, we report that the Company has placed the system named 'WFMS' in place to process all the accounting transactions through such IT system, Whereas, such system has been made fully operational by the company for F.Y. 2022-23 only and Financial Statements of the Company for F.Y. 2022-23 are still being prepared and finalised by the management in MS-Excel Software. Hence, the account balances (including opening balances) and transactions are vulnerable to manual intervention or unauthorised alterations or unintentional/intentional mistakes which could potentially result in impaired financial reporting of the Company. However, the resultant financial implications could not be presently ascertainable.

2. Whether there is any restructuring of an existing loan or cases of waiver /write off of debts/loan/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, Lender is a Government Company, then the direction is also applicable for statutory auditor of Lender Company).

According to the information and explanation given to us, we report that there is no restructuring of an existing loan or cases of waiver /write off of debts/loan/interest etc. made by a lender to the company during the year under audit.

3. Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilised as per its term and conditions? List the cases of deviation.

According to the information and explanation given to us, we report that there are no funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies during the year under audit.

For M/s. Satya Prakash Mangal & Co.
Chartered Accountants
[FRN:008513N]

(CA Satya Prakash Mangal)

M.No.: 086342

UDIN: 23086342BHADLQ5279

Place: New Delhi

Date: 29.05.2023



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ANNEXURE – 'C' TO THE AUDITOR'S REPORT
[Referred to in Our Report of even date]

Report on the Internal Financial Controls 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 **M/s. Millennium Telecom Limited** ("The Company") as of **31st March 2023** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility

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") 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, both applicable to an audit of Internal Financial Controls and, both issued by the institute of Chartered Accountants of India. 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. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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.

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**SATYA PRAKASH MANGAL & CO.
CHARTERED ACCOUNTANTS**

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 standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial reporting includes those policies and procedure that

- (1) Pertain to the maintenance of record 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipt 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the Inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or frauds may occur and not be detected. Also, Projections of any evaluation of the internal financial controls over financial reporting to future periods are subjects to the risk that 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.

Qualified Opinion

According to the information and explanation's given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at **31st March 2023**:

- i. The Company does not have an appropriate internal control system for ensuring the proper compliance of format and disclosure requirements of Division-II: Ind-AS based Schedule-III (Revised) to the Companies Act, 2013 as well as of applicable Ind-AS notified u/s 133 of the Companies Act, 2013 which could potentially result in contravention of Section 129 w.r.t True and Fair view of the financial statements of the Company.
- ii. The Company does not have an appropriate internal control system for ensuring de-capitalization of Property, Plant and Equipment in respect of assets which are no longer in use and held for disposal as scrap. This could potentially result in overstatement of gross block and corresponding impact on the operational results due to higher charge of depreciation and lower provision for impairment of assets.
- iii. The Company does not have an appropriate internal control system for obtaining confirmations and performing reconciliation of balances in respect of amount receivables from trade receivables, third parties and others, and other parties and amount payables to trade payables, and amount payable to other parties.
- iv. The Company does not have an appropriate internal control system to ensure that provisions made pending receipt of bills from vendors / third parties/other parties/others at the quarter-end and year-end and the same are duly reversed when actual bills are received and accounted for. This could potentially result in the same being booked twice in the books of accounts.

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CHARTERED ACCOUNTANTS**

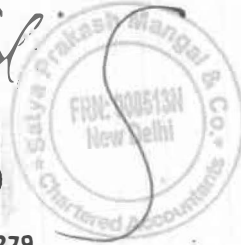
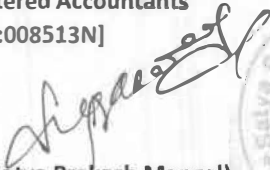
- v. The Company does not have an appropriate internal control system for ensuring Sales Invoice is prepared after receipt of Purchase Invoice. The company was regularly issuing Sales Invoice before receipt of Purchase Invoice, resulting in blockage of Excess Working Capital due to payment of Goods & Services Tax (GST) through Cash ledger and Subsequent booking of Purchase Invoice leading to unutilized balance in Credit Ledger.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects / possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of **31st March, 2023** 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the Standalone financial statements of the Company, and these material weaknesses do not affect our opinion on the standalone financial statements of the company.

For M/s. Satya Prakash Mangal & Co.
Chartered Accountants
[FRN:008513N]



(CA Satya Prakash Mangal)
M.No.: 086342
UDIN: 23086342BHADLQ5279
Place: New Delhi
Date: 29.05.2023

MILLENNIUM TELECOM LIMITED
Standalone Balance Sheet as at 31 March 2023 (ALL amount in INR Thousands)

	Note No.	As at March 31, 2023	As at March 31, 2022
Particulars		Rupees	Rupees
1	2	3.00	4.00
A. ASSETS			
(1) NON-CURRENT ASSETS			
I (a) Property, Plant and Equipments	2	43.86	43.86
(b) Right-of-use assets		0.00	0.00
(c) Capital work-in-progress		0.00	0.00
(d) Goodwill		0.00	0.00
(e) Other intangible assets		0.00	0.00
(f) Financial assets			
(i) Investments		0.00	0.00
(ii) Loans		0.00	0.00
(iii) Other financial assets		0.00	0.00
II Share application money pending allotment			
(b) Deferred Tax (Assets) Net	3	12.23	15.46
(c) Other non current Assets	4	3124.70	3113.36
Total non-current assets		3180.78	3172.68
(2) Current assets			
(a) Inventories		0.00	0.00
(b) Financial Assets			
(i) Investments		0.00	0.00
(ii) Trade receivables	5	13341.51	14211.95
(iii) Cash and cash equivalents	6	629.37	1771.62
(iv) Bank balances other than above	7	60597.29	57777.59
(v) Loans		0.00	0.00
(vi) Other financial assets	8	1677.71	1663.43
(c) Current Tax Assets	9	724.33	813.29
(d) Other current assets	10	15662.88	15822.18
Total current assets		92633.09	92060.06
TOTAL ASSETS		95813.87	95232.74
B. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share capital	11	28758.80	28758.80
(b) Other Equity	12	30710.76	28149.81
Total Equity		59469.56	56908.61
2. LIABILITIES			
(2.1) Non current liabilities			
(a) Financial liabilities			
(i) Lease liabilities		0.00	0.00
(ii) Other financial liabilities		0.00	0.00
(b) Provisions		0.00	0.00
(c) Deferred Tax liabilities (Net)		0.00	0.00
(d) Other non-current liabilities	13	2177.00	2177.00
Total non-current liabilities		2177.00	2177.00
(2.2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings		0.00	0.00
(ii) Lease liabilities		0.00	0.00
(iii) Trade payable		0.00	0.00
(A) Total outstanding dues of micro enterprises and small enterprise		0.00	0.00
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	14	571.56	698.58
(c) Other Financial Liabilities	15	29632.08	29646.11
(d) Current Provision	16	3394.93	5262.38
(e) Other Current Liabilities	17	568.75	540.05
(d) Current Tax liabilities			
Total current liabilities		34167.31	36147.13
TOTAL EQUITY AND LIABILITIES		95813.87	95232.74
TOTAL		0.00	0.00
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS			

For M/s SATYA PRAKASH MANGAL & COMPANY
Chartered Accountants
Firm's Registration No.: 008513N

CA Satya Prakash Mangal
Partner
Membership No. 086342



For and on behalf of the Board of Directors

Arvind Vadnerkar
Arvind Vadnerkar
Chairman & Director
DIN 08597016

Sultan Ahmed
Sultan Ahmed
Director
DIN 07564073

UDIN: 23086342 BHADLQ5279

Place: New Delhi
Date : 29-May-2023

Ratan Mani Sumit
Ratan Mani Sumit
Company Secretary ACS15193

PART II – STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023
(ALL amount in INR Thousands)

Particulars		Note No.	As at March 31, 2023	As at March 31, 2022
1	2	3	4	
Income				
I	Revenue from operations	18	0.00	193.97
II	Other Income	19	4549.75	2868.64
III	Total Income (I+II)		4549.75	3062.60
IV Expenses				
	Cost of material consumed		0.00	0.00
	Purchase of Stock in Trade		0.00	0.00
	Changes in inventories of finished goods work-in-		0.00	0.00
	Employee benefits expense		0.00	0.00
	Finance costs	20	0.59	0.00
	Depreciation and amortisation expense		0.00	
	Other expenses	21	256.01	388.38
	Total expenses		256.60	388.38
V	Profit / (Loss) before exceptional items and tax (III-IV)		4293.15	2674.23
VI	Exceptional items		0.00	0.00
VII	Profit / (Loss) before tax (V-VI)		4293.15	2674.23
VIII Tax expense:				
	(a) Current tax		1112.95	691.55
	(b) Pertaining to earlier years		0.00	0.00
	(c) Deferred Taxexpense/(income)		3.24	3.71
			1116.19	695.26
IX	Profit/(loss) after tax from continuing operations (VII-VIII)		3176.96	1978.96
X Discontinued Operations				
	(1) Profit/(loss) from discontinued operations		0.00	0.00
	(2) Tax Expense of discontinued operations		0.00	0.00
XI	Profit / (Loss) from Discontinuing Operations		0.00	0.00
XII	Profit / (Loss) for the period (IX-XI)		3176.96	1978.96
XIII Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss		0.00	0.00
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.00	0.00
	B (i) Items that will be reclassified to profit or loss		0.00	0.00
	(ii) Income tax relating to items that will be reclassified to profit or loss		0.00	0.00
XIV	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		3176.96	1978.96
XV Earnings per equity share (For continuing operation)				
	(a) Basic (INR)		0.00	0.00
	(b) Diluted(INR)		0.00	0.00
XVI Earnings per equity share (For discontinued operation)				
	(a) Basic (INR)			
	(b) Diluted(INR)			
XVII Earnings perequity share (For continuing & discontinued operation)				
	(a) Basic (INR)		0.00	0.00
	(b) Diluted(INR)		0.00	0.00
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS		1 & 23 to 36		

As per our report attached.

For M/s SATYA PRAKASH MANGAL & COMPANY

Chartered Accountants

Firm's Registration No.:008513N

CA Satya Prakash Mangal
Partner

Membership No. 086342



For and on behalf of the Board of Directors

Arvind Vadherkar
Chairman & Director
DIN 08597016

Sultan Ahmed
DIRECTOR
DIN 07564073

UDIN: 23086342 BHADLQ5279

Ratan Mani Sumit
Company Secretary ACS1519Place: New Delhi
Date : 29-May-2023

Particulars	As at March 31, 2023		As at March 31, 2022	
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
A. Cash flow from operating activities				
Profit before tax for the year		4293.15		2674.23
Adjustments for:				
Depreciation and amortisation of non-current assets	0.00	0.00	0.00	
Finance costs	0.59	0.00	0.00	
Interest income	0.00		0.00	
Dividend income	0.00			
Net (gain) / loss on sale of investments	0.00			
Rental income from investment properties	0.00			
Rental income from operating leases	0.00			
Share of profit from partnership firms	0.00			
Income Tax earlier year	0.00		113.02	
Dividend Declared	0.00		-218.57	
Dividend Distribution Tax	0.00			
		0.59	0.00	-105.55
Operating profit / (loss) before working capital changes		4293.74		2568.68
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	0.00			
Trade receivables	870.44		10.37	
Short-term loans and advances				
Other current financial assets	-14.28		0.00	
Other current tax asset	88.97		1212.28	
Other current assets	159.30		-44.94	
Other non-current assets	-11.34		0.00	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	-127.02		148.42	
Other current financial liabilities	-14.04		3409.44	
Other current liabilities	-1867.46		-9.00	
Other Long-term liabilities	0.00		0.00	
Short-term provisions	28.70	-886.73	-29.32	4697.25
Cash flow from extraordinary items		3407.01		7265.93
Cash generated from operations		0.00		0.00
Net income tax (paid) / refunds		3407.01		7265.93
Net cash flow from / (used in) operating activities (A)		-1153.79		-691.55
		2253.22		6574.38
B. Cash flow from investing activities				
Bank balances not considered as Cash and cash equivalents				
- Matured	0.00		0.00	
Interest received				
- Others Bank FD	0.00		0.00	
- Others	0.00	0.00	0.00	0.00
Purchase of Fixed Asset		0.00		0.00
Net cash flow from / (used in) investing activities (B)		0.00		0.00
C. Cash flow from financing activities				
Proceeds from other long-term advances	0.00		0.00	
Repayment of other short-term borrowings	0.00		0.00	
Payment of Dividend on Equity Shares	-575.18			
Finance cost	-0.59	-575.77	0.00	0.00
Net cash flow from / (used in) financing activities (C)		-575.77		0.00
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		1677.46		6574.38
Cash and cash equivalents at the beginning of the year		59549.21		52974.83
Cash and cash equivalents at the end of the year		61226.67		59549.21
Reconciliation of Cash and cash equivalents with the Balance Sheet (Refer Note 5)				
Cash and cash equivalents as per Balance Sheet		61226.67		59549.21
Less: Bank balances not considered as Cash and cash equivalents as defined in Ind-AS 7 Cash Flow Statements		0.00		0.00
Net Cash and cash equivalents (as defined in IND-AS 7 Cash Flow Statements) included in Note 5		61226.67		59549.21
Add: Current investments considered as part of Cash and cash equivalents at the end of the year *		0.00		0.00
Cash and cash equivalents at the end of the year *		61226.67		59549.21
* Comprises:				
(a) Cash on hand		0.00		0.00
(b) Cheques, drafts on hand		0.00		0.00
(c) Balances with banks				
(i) In current accounts		156.08		1312.86
(ii) In deposit accounts		61070.58		58236.35
		61226.67		59549.21
		0.00		0.00

As per our report attached.

For M/s SATYA PRAKASH MANGAL & COMPANY
Chartered Accountants
Firm's Registration No.:008513N

CA Satya Prakash Mangal
Partner
Membership No. 086342



For and on behalf of the Board of Directors

Arvind Vadnerkar
Chairman & Director
DIN 08597016

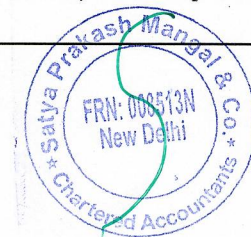
Sultan Ahmed
Director
DIN 07564073

UDIN: 23086342BHADLQ5279

Place: New Delhi
Date: 29-May-2023

Ratan Mani Sumit
Company Secretary ACS15193

Notes	Particulars
1	<p>Corporate information</p> <p>MILLENNIUM TELECOM LIMITED (MTL), a wholly owned subsidiary of MAHANAGAR TELEPHONE NIGAM LIMITED (MTNL), is set up to set up submarine cable project & to provide IT solutions. After cancellation of the Sub-marine Cable Project Tender, the Board of MTL decided to enter into new line of business and started exploring the new different business prospects. The following are the services which are intended to be provided by MTL.</p> <p>The various services being offered are Remote monitoring of customer network, Capacity building and skill development programme, End-to-end ICT Solution provider along with operation & maintenance. Launch, operate, provide and maintained Cloud and managed services. Surveillance and perimeter security including emergency communication. Campus wide Wi-Fi , Surveillance projects, Infrastructure Sharing, Data Centre Outsourcing Application including Web Hosting, Cloud computing etc</p>
1.1	<p>Significant accounting policies</p> <p>Basis of accounting and preparation of financial statements</p> <p>The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind-AS) specified under section 133 of Companies Act, 2013 read with Rule-7 of Companies (Accounts) Rules, 2014 & as amended time to time and the relevant provisions of the Companies Act 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>
1.2	<p>Property Plant and Equipment</p> <p>All items of property, plant and equipment are stated at cost of acquisition historical cost less accumulated depreciation and impairment loss, if any. Cost includes of cost of acquisition, construction and installation, taxes, duties, freight and other incidental expenses that are directly attributable to bringing the asset to its working conditions for the intended use.</p> <p>Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.</p> <p>On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.</p> <p>Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives of the assets as specified under Schedule II of the Companies Act, 2013 and in manner as specified in that Schedule II.</p>
1.3	<p>Impairment of non financial assets</p> <p>The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount to the carrying amount of the asset that would have been determined (net of depreciation or amortization) had no impairment loss been recognized for the asset in prior accounting periods.</p>



Significant accounting policies and other explanatory information for the year ended March 31, 2023

Notes	Particulars
1.4	<p>Investments and other financial assets</p> <p>Classification The Company classifies its financial assets in the following measurement categories: - those to be measured subsequently at fair value (either through other comprehensive income (FVOCI), or through profit or loss (FVPL), and - those measured at amortised cost The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.</p> <p>Measurement At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through statement of profit and loss are expensed in profit or loss.</p> <p>Impairment of financial assets The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.</p> <p>De-recognition of financial assets A financial asset is derecognised only when • The Company has transferred the rights to receive cash flows from the financial asset or • retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.</p> <p>Interest income from financial assets Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.</p>
1.5	<p>Inventories Inventories are valued lower of cost or net realisable value.</p>
1.6	<p>Revenue Recognition Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities.</p>
1.7	<p>Employee benefits No provision for retirement benefits has been made since there are no employees.</p>



Significant accounting policies and other explanatory information for the year ended March 31, 2023

Notes	Particulars
1.8	<p>Provisions and contingent liabilities</p> <p>Provisions are recognised 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 recognised for future operating losses.</p> <p>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 recognised as interest expense.</p> <p>A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The company does not recognize a contingent liability but discloses its existence in the financial statements.</p>
1.9	<p>Income tax</p> <p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.</p> <p>Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.</p> <p>Current and deferred tax relating to items directly recognized in equity are recognized in equity and not in the Statement of Profit and Loss.</p>
1.10	<p>Cash and cash equivalents</p> <p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.</p>
1.11	<p>Use of estimates</p> <p>The preparation of the financial statements in conformity with Indian Accounting Standard requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>



11. Equity Share Capital

(ALL amount in INR Thousands)

As at
March 31, 2023
Rupees

As at
March 31, 2022
Rupees

Equity share capital

Authorised:

10,00,00,000 (Previous Year:10,00,00,000) Equity Shares of Rs. 10 each

1,00,00,00,000 1,00,00,00,000

Issued:

28,75,880 (Previous Year:28,75,880) Equity Shares of Rs. 10 each

28758.80 28758.80

Subscribed and Paid-Up:

28,75,880 (Previous Year:28,75,880) Equity Shares of Rs. 10 each

28758.80 28758.80

28758.80 28758.80

Notes:

(ALL amount in INR Thousands)

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue / Bonus / ESOP	Conversion / Buy Back	Closing Balance
Equity shares with voting rights Issued, Subscribed and fully paid up				
Year ended 31 March, 2021				
- Number of shares	28,75,880	-	-	28,75,880
- Amount (Rs.)	28,758.80	0.00	0.00	28,758.80
Year ended 31 March, 2022				
- Number of shares	28,75,880	-	-	28,75,880
- Amount (Rs.)	28,758.80	0.00	0.00	28,758.80

Notes:

(ii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	Equity shares with voting rights
	Number of shares
As at March 31, 2023	
Mahanagar Telephone Nigam Limited, the holding company	28,75,880
As at March 31, 2022	
Mahanagar Telephone Nigam Limited, the holding company	28,75,880

(iv) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	Figures as at the end of		Figures as at the end of previous	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mahanagar Telephone Nigam Limited	28,75,880	100	28,75,880	100



Millennium Telecom Limited

Statement of Changes in Equity for the year ended March 31, 2023

Equity share capital

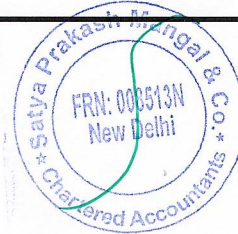
(ALL amount in INR Thousands)

	Number of shares	Amount
As at March 31, 2022	2,87,58,800	28758.80
Changes during the year	-	0.00
As at March 31, 2023	2,87,58,800	28758.80

Other equity

(ALL amount in INR Thousands)

	Revenue Reserve	Retained earnings	Total
Opening balance as at April 01, 2022	724.12	27,425.69	28,149.81
Profit / (loss) for the year		3,176.96	3,176.96
Income Tax earlier year (Excess Prov)		-40.84	-40.84
Dividend and Proposed Dividend		-575.18	-575.18
			0.00
Closing balance as at March 31, 2023	724.12	29,986.64	30,710.76



Millennium Telecom Limited

12. Other Equity

(ALL amount in INR Thousands)

Particulars	As at March 31, 2023	As at March 31, 2022
	Rupees	Rupees
Reserves and surplus		
Revenue reserve		
Opening balance	724.119	724.119
Add: Additions / transfers during the year	0.000	0.000
Less: Utilisations / transfers during the year	0.000	0.000
Amortization of fixed assets as per new Companies Act 2013	0.000	0.000
Closing balance	724.119	724.119
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	27425.687	25552.271
Add: Profit / (Loss) for the current year	3176.964	1978.963
Add: Excess Provision on Dividend Tax	0.000	0.000
Add: Income Tax excess provision	-40.839	113.021
Less: Dividend	-575.176	-218.568
Less: Dividend Distribution Tax		
Less: Income Tax of earlier year		
Closing balance	29986.636	27425.687
Total	30710.755	28149.806



Note 11 : Equity share capital

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number	Amount	Number	Amount
Authorized capital				
Equity shares of INR 10/- each	10,00,00,000	10,000.00	10,00,00,000	10,000.00
Issued, subscribed and paid up capital				
Equity shares of INR 10/- each	28,75,880	287.59	28,75,880	287.59
Total issued, subscribed and paid-up share capital	28,75,880	287.59	28,75,880	287.59

a. Terms and rights attached to equity shares

The Company has only one class of equity shares. The equity shares have a paid up value of INR 10 per share. Each holder of equity shares is entitled to vote in proportion of the share of paid-up capital of the Company held by the shareholder. Each shareholder is entitled to receive interim dividend when it is declared by the Board of Directors. The final dividend proposed by the Board of Directors are paid when approved by the shareholders at the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution shall be according to the members right and interest in the Company.

b. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year.

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Number	Amount	Number	Amount
At the beginning of the year	28,75,880	287.59	28,75,880	287.59
Add: Shares issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
Outstanding at the end of the year	28,75,880	287.59	28,75,880	287.59

c. Details of shareholder(s) holding more than 5% shares in the company.

Name of the shareholder	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares of Rs. 10 each, fully paid-up*				
Mahanagar Telephone Nigam Limited, the holding company	28,75,880	100.00%	28,75,880	100.00%

* As per records of the company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownerships of shares.

d. Equity shares held by promoters of the company

Name of the shareholder	As at 31st March, 2023			As at 31st March, 2022		
	No. of Shares held	% of Holding	% Change during the year	No. of Shares held	% of Holding	% Change during the year
Mahanagar Telephone Nigam Limited, the holding company	28,75,880	100.00%	0.00%	28,75,880	100.00%	0.00%

e. Changes in authorized share capital of the Company

There has been no change in the authorised share capital of the company in the current financial year

f. Details of interim and final dividend

The Shareholders of MTL in its meeting dated 20th Sep 2022 have declared an dividend for the F.Y. 2021-22 of INR 0.20 per share aggregating to INR 5.76 Lakhs.



Note 40 : Ratio analysis

S No.	Particulars	Numerator	Denominator	As at		Variance
				31-03-2023	31-03-2022	
1	Current Ratio	Current assets	Current Liabilities	2.71	2.55	6.45%
2	Debt-Equity Ratio ⁵	Total debt ¹	Shareholder's equity	-	-	0.00%
3	Debt Service Coverage Ratio ⁶	Earnings available for debt service ²	Debt service ³	-	-	0.00%
4	Return on Equity ratio	Net profits after taxes	Average shareholder's equity	5.34%	3.48%	53.62%
5	Inventory Turnover ratio	Cost of goods sold	Average Inventory	-	-	0.00%
6	Trade Receivable Turnover Ratio	Revenue	Average trade receivable	0.34	0.22	58.25%
7	Trade Payable Turnover Ratio	Purchases and other expenses	Average trade payables	-	-	0.00%
8	Net Capital Turnover Ratio	Revenue	Working capital	-	-	0.00%
9	Net Profit Ratio	Net profit	Revenue	69.83%	64.62%	8.06%
10	Return on Capital Employed	Earning before interest and taxes	Capital employed ⁴	7.22%	4.70%	53.62%
11	Return on Investments					
	- Equity investments	Income generated from investments	Time weighted average investments	7.22%	4.70%	53.62%
	- Mutual fund	Income generated from investments	Time weighted average investments	0.00%	0.00%	0.00%
	- Fixed deposits	Income generated from investments	Time weighted average investments	0.00%	0.00%	0.00%
	- Loans and advances	Income generated from investments	Time weighted average investments	0.00%	0.00%	0.00%

1. Total debt represents borrowings and lease liabilities

2. Earnings available for debt service = Net profit after tax + Non-cash operating expenses + Interest + Other adjustments like loss on sale of fixed assets etc.

3. Borrowings and lease repayments.

4. Capital employed = Tangible net worth + Deferred tax liabilities + Lease liabilities

5. Increase in debt in the form of lease liabilities for 3 additional plants acquired by the Company during the year.

6. Decrease in debt payments of borrowings during the financial year as there were no outstanding borrowings in the Company.

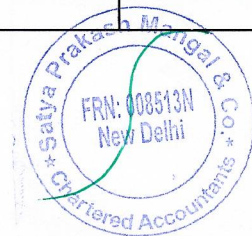


Millennium Telecom Limited

Significant accounting policies and other explanatory information for the year ended March 31, 2023

(ALL amount in INR Thousands)

Note No	Particulars	As at March 31, 2023 Rupees	As at March 31, 2022 Rupees
3	Deferred tax assets		
	Timing difference between book depreciation and depreciation as per Income Tax Act, 1961	12.23	15.46
		12.23	15.46
4	Non current tax assets		
	Advance tax (net of provisions)	3124.70	3113.36
		3124.70	3113.36
5	Trade receivables (Unsecured)		
	Considered good	13341.51	14211.95
	Considered doubtful	273.97	273.97
		13615.48	14485.92
	Less: Provision for doubtful debts	-273.97	-273.97
		13341.51	14211.95
6	Cash and Cash equivalents		
	Cash in hand		
	- current accounts	156.08	1312.86
	- in deposit account with original maturity upto 3 months	473.29	458.76
		629.37	1771.62
7	Balance with banks		
	- in deposit account with original maturity more than 12 months	60597.29	57777.59
		60597.29	57777.59
8	Other current financial asset		
	Receivable from related parties	174.21	174.21
	Deposit with Thane Municipal Corporation	840.22	840.22
	Deposit with CIDCO	663.28	649.00
	Bank Guarantee	0.00	0.00
		1677.71	1663.43
9	Other current tax assets		
	Income tax refund receivable	724.33	813.29
		724.33	813.29
10	Other current assets		
	Service not billed (Accrud Income)	0.00	272.52
	CGST credit ledger-Maharsashtra		
	SGST credit ledger-Maharsashtra		
	GST Crdit ledger-Delhi	183.24	183.24
	Tax credit not utilized	0.00	
	Balance with statutory authorities	15479.64	15366.42
		15662.88	15822.18



Millennium Telecom Limited

Significant accounting policies and other explanatory information for the year ended March 31, 2023

(ALL amount in INR Thousands)

Note No	Particulars	As at March 31, 2023	As at March 31, 2022
13	Other non current liabilities		
	Mobilization Advance Received from Jammu & Kashmir E-Gov	2177.000	2177.000
		2177.000	2177.000
14	Trade Payables		
	Due to MSME	0.000	0.000
	Due to Others	571.562	698.583
		571.562	698.583
15	Other current financial liabilities		
	Advances from related parties	6060.175	6060.175
	Interim Dividend Payable	0.000	0.000
	Proposed Dividend	0.000	0.000
	Earnest money deposit and security deposit	23571.901	23585.938
		29632.076	29646.113
16	Current Provisions		
	Provision for expenses	3394.925	5262.382
		3394.925	5262.382
17	Other current liabilities		
	Income Received in Advance	0.000	0.000
	Statutory remittances (Professional Tax, Service Tax, TDs payable)	568.750	540.054
		568.750	540.054



(ALL amount in INR Thousands)

Note No	Particulars	Year Ended 45016.00 Rupees	Year Ended 44651.00 Rupees
18	Revenue from operations		
	Sales of Products		
	Sales of Services	0.00	193.97
	Other Operating Revenues	0.00	0.00
	GST	0.00	34.91
	Gross Revenue	0.00	228.88
	Less: Service Tax / GST	0.00	-34.91
	Net Revenue from operations	0.00	193.97
19	Other Income		
	Interest income	3149.15	2696.33
	Interest on IT refund	18.61	151.81
	Reversal of Provision	1382.00	
	Tender & EMD forfeiture	0.00	20.50
		4549.75	2868.64
20	Finance costs		
	Bank Charges	0.59	0.00
		0.59	0.00
21	Other expenses		
	Direct Expenses	0.00	159.97
	Meeting Expenses		0.00
	Email ID creation charges	7.86	1.28
	Rates and taxes		
	Travelling and conveyance	32.60	0.00
	Printing and stationery	0.80	0.00
	Postage		0.00
	Late Fees GST TDS deposit	0.00	0.10
	CS Fees	40.39	51.02
	Fees to CA GST Audit & Consultancy fees		35.00
	Rent & Electricity of Office	66.01	66.01
	Digital Signature	7.36	
	Payments to auditors	75.00	75.00
	RoC filing fees	25.99	
		256.01	388.38



Millennium Telecom Limited
Balance Sheet as at 31st March 2023

2. Property Plant and Equipment

(ALL amount in INR Thousands)

Particulars	Furniture and fixtures	Office equipment	Electrical fittings	Computers	Vehicles	Total
Carrying amount as on 01-Apr-2022	23.71	17.03	3.11	0.00	0.00	43.86
Addition	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated depreciation	0.00	0.00	0.00	0.00	0.00	0.00
Opening accumulated depreciation	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation charge during the year	0.00	0.00	0.00	0.00	0.00	0.00
Assets included in a disposal group classified as held for sale	0.00	0.00	0.00	0.00	0.00	0.00
Disposals	0.00	0.00	0.00	0.00	0.00	0.00
Exchange differences	0.00	0.00	0.00	0.00	0.00	0.00
Closing accumulated depreciation	-	-	-	-	-	0.00
Net carrying amount	23.71	17.03	3.11	0.00	0.00	43.86



Millennium Telecom Limited

Significant accounting policies and other explanatory information for the year ended March 31, 2023

Related party transactions	
Details of related parties:	
Description of relationship	Names of related parties
Ultimate Holding Company	None
Holding Company	Mahanagar Telephone Nigam Ltd.
Ultimate Holding Company	None
Subsidiaries	None
Fellow Subsidiaries	Mahanagar Telephone (Mauritius) Ltd
Associates	1. Bharat Sanchar Nigam Ltd. 2. United Telecom Ltd is a joint venture of MTNL.TCIL,TCL and NVPL.MTNL hold 26.68% of shares in UTL. 3. MTNL STPI IT SERVICES LTD (MSITS)
Key Management Personnel (KMP)	Shri Arvind Vadnerkar, Chairman & Director from 01-09-2021 Shri Sultan Ahmed, Director Shri Mukesh Kumar Chauhan Director from 08-11-2022 Shri Bhim Singh, Director up to 24-08-2022 Shri Deepak Mukherjee, Director from 08-07-2021 Shri S R Sayal, Company Secretary up to 28-02-2023 Shri Ratan Mani Sumit, Company Secretary w.e.f. 28-03-2023 No transaction with any of them.
Relatives of KMP	No transactions
Company in which KMP / Relatives of KMP can exercise significant influence	No Transactions

Note: Related parties have been identified by the Management.

1 Details of related party transactions during the year ended 31 March, 2023 and balances outstanding as at 31 March, 2023:

	Associates : Bharat Sanchar Nigam Ltd. / United Telecom Ltd	Ultimate Holding Company : Mahanagar Telephone Nigam Ltd.	Fellow Subsidiaries : Mahanagar Telephone Nigam (Mauritius) Ltd	Total
(ALL amount in INR Thousands)				
Balances outstanding at the end of the year				
Trade receivables (Related Party)	-	9,843	-	9,843
Advances to parent company	-	(10,438)	-	(10,438)
Advances from parent company	-	174	-	174
Provision for doubtful receivables, loans and advances	-	(174)	-	(174)
	-	6,060	-	6,060
	-	(6,060)	-	(6,060)
	-	-	-	-
	-	-	-	-

Note: Figures in bracket relates to the previous year



Trade Payables

As on 31.03.2023

For current trade payables, please share aging schedule in the following format

(ALL amount in INR Thousands)

Particulars	Outstanding for following periods from due date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	95.27	0.00	476.29	0.00	571.56
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00
(v) Unbilled Dues *	0.00	0.00	0.00	0.00	0.00
(vi) Disputed dues - Unbilled *	0.00	0.00	0.00	0.00	0.00
TOTAL=	95.27	0.00	476.29	0.00	571.56

similar information shall be given where no due date of payment is specified in that case disclosure shall be from the date of the transaction. Also, unbilled dues shall be disclosed separately

Trade Payables

As on 31.03.2022

For current trade payables, please share aging schedule in the following format

(ALL amount in INR Thousands)

Particulars	Outstanding for following periods from due date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	222.30	0.00	0.00	476.29	698.58
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00
(v) Unbilled Dues *	0.00	0.00	0.00	0.00	0.00
(vi) Disputed dues - Unbilled *	0.00	0.00	0.00	0.00	0.00
TOTAL=	222.30	0.00	0.00	476.29	698.58

similar information shall be given where no due date of payment is specified in that case disclosure shall be from the date of the transaction. Also, unbilled dues shall be disclosed separately

Trade Receivables (Current and Non - current)

As on 31.03.2023

For both current and non-current trade receivables, please share aging schedule in the following format

(ALL amount in INR Thousands)

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	0.00	0.00	0.00	0.00	13341.51	13341.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables – considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00

similar information shall be given where no due date of payment is specified in that case disclosure shall be from the date of the transaction. Also,

Trade Receivables (Current and Non - current)

As on 31.03.2022

For both current and non-current trade receivables, please share aging schedule in the following format

(ALL amount in INR Thousands)

Particulars	Outstanding for following periods from due date of payment#					Total
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	0.00	0.00	636.72	0.00	13575.23	14211.95
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables – considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00

similar information shall be given where no due date of payment is specified in that case disclosure shall be from the date of the transaction. Also,



22	<p>Fair value measurements</p> <p>Financial instruments by category: All financial assets and financial liabilities of the company are under the amortised cost measurement category at each of the reporting dates.</p> <p>Fair value hierarchy</p> <p>The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.</p> <p>Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.</p> <p>Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments in the level 2 category for the company include forward exchange contract derivatives.</p> <p>Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level.</p> <p>The carrying amounts of trade receivables, other financial assets, fixed deposits with banks, trade payables and other current financial liabilities are considered to be approximately equal to the fair value.</p> <p><i>The Fixed Deposit shown as Cash and Equivalent as it's nature like "Readily convertible to known amounts of cash" as per IND AS 7. As the company withdraw money from fixed deposit as and when required for its on going projects.</i></p>
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23 Financial risk management

The company is exposed to credit risk and liquidity risk.

Credit risk

Credit risk arises from cash and bank balances, trade receivables and other financial assets carried at amortised cost.

Credit risk management

To manage credit risk, the Company periodically assesses the financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. There is no significant concentration of credit risk.

Bank balances are held with only high rated banks. The major portion of trade receivables are due from parent company. Accordingly, the provision for impairment is considered immaterial.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – trade payables and other financial liabilities.

The Company's finance department is responsible for liquidity and settlement management. Also the liquidity position is assessed at reasonable intervals through budgeted cashflow.

Maturities of non – derivative financial liabilities

As at March 31, 2023 (ALL amount in INR Thousands)

Particulars	Within 6 months	6 months to 1 year	Total
Trade Payables	87.17	484.39	571.56
Other current financial liability		29,632.08	29,632.08

As at March 31, 2023 (ALL amount in INR Thousands)

Particulars	Within 6 months	6 months to 1 year	Total
Trade Payables	100.00	471.56	571.56
Other current financial liability		29,646.11	29,646.11



NAME OF COMPANY:		MILLENIUM TELECOM LIMITED			
F.Y:		2022-2023			
A.Y:		2023-2024			
PAN:		AADCM3056G			
COMPUTATION OF TOTAL INCOME FOR THE YEAR ENDED 31.03.2023:					
			(ALL amount in INR Thousands)		
INCOME FROM BUSINESS & PROFESSION:					
Profit as per Profit & Loss A/c (Before Tax)					
				4293.153	
Add: Items considered separately/disallowable:					
	Depreciation as per Companies Act		-		
	Professional Taxes not paid		-		
	Late Filing Fees GST		-		
	Penalty & Interest		-		
	Prior Period Items			0.000	
				4293.153	
Less: Considered separately/allowed:					
	Depreciation as per Income Tax Act		12.576		
				12.576	4280.577
					4280.577
					0.000
Total Taxable Income					4280.577
Total Taxable Income Rounded					4280.580
Normal Tax Payable @ 25%					(A) 1070.145
Tax Payable u/s 115JB on book profit					(B) 354.175
Tax Payable (Normal Tax Payable or Tax u/s 115JB whichever is higher)					1070.145
Add: Surcharge @ 7%/12%					1070.145
Education Cess 4%					42.806
					1112.951
Less: MAT Tax Credit B/f from earlier u/s 115JAA utilised					0.000
					1112.951
Add: Interest u/s 234 B & C as per Software working					0.000
					1112.951
Tax deducted at source					0.000
Tax Payable / (Refundable)					1112.951
Advance tax paid					
Advance tax paid					772.000
TDS Claims					319.755
					1091.755
					21.196
Less: Self assessment Tax Paid					0.000
Balance Payable/(Refund Due)					21.196
Calculation of Interest u/s 234:					
U/S-234 B:					
As per Income tax software			Shortfall	Interest	
			0.000	0.000	
U/S-234 C:					
As per Income Tax software					0.000

COMPUTATION U/S 115JB					
HEADS OF INCOME					
			(ALL amount in INR Thousands)		
INCOME FROM BUSINESS OR PROFESSION					
NET PROFIT AS PER P & L A/C AFTER TAX					
				3176.964	
Add: 1) Income Tax					
			1112.951		
2) deferred tax					
			3.238	1116.189	
Net Profit After adjustment of additions					4293.153
ADD: ITEMS DISALLOWABLE/CONSIDERED SEPARATELY					
					4293.153
LESS:					
Income Exempt u/s 10 (Dividend Recd)					0.000
BOOK PROFITS					4293.153
TOTAL INCOME					4293.153
BOOK PROFITS R/O					4293.150
TAX ON BOOK PROFITS @ 18.5%					794.233
					354.175

MILLENNIUM TELECOM LIMITED					
NOTE TO ACCOUNTS					
NOTE NO 11					
Defferred Tax (Asset \ Liabilities)					
AY 2021-22					
(ALL amount in INR Rs.)					
Depreciation working for the F.Y. 2020-21					
		Op.WDV	Addition	Dep	Cl. WDV
Computer	40%	131		52.00	79.00
Office Equipment	15%	22372		3356.00	19016.00
Motor Car	15%	20559		3084.00	17475.00
F/F & E/F	10%	60844		6084.00	54760.00
		103906.00		12576.00	91330.00
				12.576	91.33
Deferred Tax liability as on 31.3.2022					
(ALL amount in INR Thousands)					
WDV as per Co's Act		43.86			
WDV as per I.T Act		91.33			
Less Dep. Claimed in I.T		-47.48			
Deferred Tax Asset as on 31.3.2023		12.23		Tax Rate	25.75%
Deferred Tax Asset as on 31.3.2022		-15.46			
Deferred tax for the year		-3.2380			



MILLENNIUM TELECOM LIMITED

Annexures to the Notes forming part of the financial statements

Annexures to note no 4

(ALL amount in INR Thousands)

	As at March 31, 2023	As at March 31, 2022
Non Current Tax Assets		
Income Tax Paid (A.Y. 2003-04)	6375.775	6375.775
Income Tax Paid (A.Y. 2004-05)	3437.127	3437.127
Income Tax Paid (A.Y. 2005-06)	3819.306	3819.306
	13632.208	13632.208
Less: Provision for taxation		
AY 2003-04	-4063.127	-4063.127
AY 2004-05	-2721.485	-2721.485
AY 2005-06	-2811.094	-2811.094
AY 2007-08	-941.800	-941.800
Total	3094.702	3094.702
TDS Assets:-		
TDS Assests F.Y 2015-16	14.986	14.986
TDS Assests F.Y 2016-17	3.671	3.671
TDS Assests F.Y 2018-19	11.336	0.000
TOTAL	3124.695	3113.359

Annexures to note no 5

(ALL amount in INR Thousands)

Trade Receivable	As at March 31, 2023	As at March 31, 2022
Considered Good		
CE (BW), MTNL, Delhi	1724.630	1724.630
CE (BW), MTNL, Mumbai	1260.870	1260.870
GM (Mktg & PR), MTNL, Mumbai	267.400	267.400
GM (Mktg), MTNL, Delhi	6010.020	6010.020
GM (Mktg-GSM), MTNL Delhi	120.410	120.410
GM (Mktg-GSM), MTNL, Mumbai	32.400	32.400
SVP (Mktg), MTNL, CO	375.255	375.255
GM (Mktg), MTNL, Delhi (CUH project)	51.837	636.720
JAMMU & KASHMIR E GOV	559.685	559.685
CIDCO Ltd	100.001	385.561
Thane Municipal Corporation	0.000	0.000
UP Building and Other Construction Worker Welfare Board	2839.002	2839.002
	13341.510	14211.953
Considered doubtful		
Cement Corporation of India	215.771	215.771
HPSEDC	58.200	58.200
	273.971	273.971
Provision for bad-debt	273.971	273.971

Annexures to note no 6 & 7

(ALL amount in INR Thousands)

Cash and Bank Balance	As at March 31, 2023	As at March 31, 2022
Balances with banks		
(i) In current accounts		
IOB A/C - Mumbai- Collection	23.222	3.602
IOB A/C - Mumbai-Operation	8.410	8.752
IOB A/C - Delhi	23.627	1199.677
ICICI A/C	100.825	100.825
	156.084	1312.856
(ii) In deposit fixed deposit accounts		
IOB A/C - Mumbai	0.000	0.000
IOB A/C - Delhi	61070.582	58236.352
	61070.582	58236.352



Annexures to note no 9

(ALL amount in INR Thousands)

Other current asset	As at	As at
	March 31, 2023	March 31, 2022
Income Tax refund receivable AY 2007-08	636.478	636.478
Income Tax refund receivable AY 2015-16	87.849	87.849
Income Tax refund receivable AY 2018-19	0.000	0.000
Income Tax refund receivable AY 2019-20	0.000	0.000
Income Tax refund receivable AY 2020-21	0.000	0.000
Income Tax refund receivable AY 2022-23	0.000	88.965
Income Tax refund receivable AY 2023-24	0.000	0.000
	724.327	813.292

Annexures to note no 10 (A)

(ALL amount in INR Thousands)

GST TDS credit not utilized	As at	As at
	March 31, 2023	March 31, 2022
CGST Credit-Delhi	7.124	7.124
SGST Credit-Delhi	7.124	7.124
IGST Credit-Delhi	168.989	168.989
SGST Credit-UP	0.000	0.000
	183.237	183.237

Annexures to note no 10 (B)

(ALL amount in INR Thousands)

Balance with statutory authorities	As at	As at
	March 31, 2023	March 31, 2022
CGST Credit-Mah	5056.181	5036.381
SGST Credit-Mah	1749.502	1729.702
CGST Credit Delhi	200.743	156.325
SGST Credit Delhi	166.005	129.743
IGST Credit Delhi	1.098	8.155
CGST Credit-UP	4040.858	4040.858
SGST Credit-UP	4040.858	4040.858
Cess credit receivable	20.761	20.761
Krishi Kalyan Cess credit	203.636	203.636
	15479.642	15366.420

Annexures to note no 14

(ALL amount in INR Thousands)

Trade payable	As at	As at
	March 31, 2023	March 31, 2022
<u>Sundry creditors</u>		
MTNL-Rent payable	77.892	0.000
Telexcell Information System Ltd	0.000	160.130
ITI Limited	36.935	36.935
Pentagon Network Solution Ltd	100.000	100.000
GAAP Education Pvt Ltd	339.357	339.353
National Informatic Center	9.280	0.000
	0.000	0.000
<u>Creditor for expenses</u>		
MRITYUNJAY SHEKHAR & ASSOCIATE	0.000	0.000
V K Sharma	0.000	12.300
Hemant Singh Associate	8.098	1.448
	0.000	38.417
TOTAL	571.562	698.583



Annexures to note no 15

(ALL amount in INR Thousands)

Other current financial liabilities	As at March 31, 2023	As at March 31, 2022
<u>Advances from related parties</u>		
Holding Company Mahanagar Telephone Nigam Ltd		
Delhi Unit	4811.756	4811.756
Mumbai Unit	1248.419	1248.419
	6060.175	6060.175
<u>Trade / security deposits received</u>		
EMD FROM TELEXCELL	10.000	38.315
Deposit from Vikas Buildtech Pvt. Ltd.	10715.047	10715.047
Advance from NSRC Data center	1845.662	1845.662
Deposit from Pentagon Network Sol Pvt Ltd	2801.192	2786.914
DEPOSIT OF BDA	8200.000	8200.000
	23571.901	23585.938

Annexures to note no 16

(ALL amount in INR Thousands)

Current Provision	As at March 31, 2023	As at March 31, 2022
Provision for Air India		
Provision for CUH-WiFi	0.000	258.801
Provision for MPLS toll plaza	112.000	112.000
Provision for UP GIS project	3215.425	3215.425
Provision for other exp	67.500	105.000
Provision for TMC maintenance	0.000	1571.156
	3394.925	5262.382

Annexures to note no 17

(ALL amount in INR Thousands)

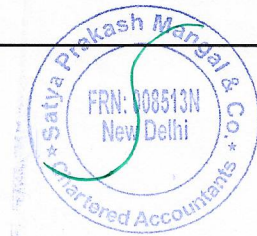
Other current liabilities	As at March 31, 2023	As at March 31, 2022
<u>Statutory remittances (Professional Tax, Service Tax, TDs payable)</u>		
Service Tax Not due for Payable - 10.2%	310.945	310.945
Service Tax Not due for Payable - 5%	229.109	229.109
TDS Payable-Delhi	7.500	0.000
Income Tax payable	21.196	0.000
TOTAL	568.750	540.054



Millennium Telecom Limited

Significant accounting policies and other explanatory information for the year ended March 31, 2023

		As at March 31, 2023	As at March 31, 2022
1	Contingent liabilities and commitments (to the extent not provided for)		
2	Dividend of Rs 0.20 per equity share has been paid for the year ended 31-03-2022 in the financial year 2022-23. Board of director recommended to Dividend of Rs 0.20 per Equity Share for the year ended 31-03-2022		
3	The Fixed Deposit shown as Cash and Equivalent have maturity period less than 3 months and its nature is like "Readily convertible to known amounts of cash" as per IND AS 7. As the company withdraw money from fixed deposit as and when required for its on going projects.		
4	The company operates in one segment i.e. providing of services in India.		
5	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006: The company has no dues to micro and small enterprises during the year ended March 31, 2023 and March 31, 2022. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.		
6	The information relating to Value of imports calculated on CIF basis: Expenditure in foreign currency, Earnings in foreign exchange & Amounts remitted in foreign currency during the year on account of dividend; is Nil.		
7	Details of consumption of imported and indigenous items are Nil for the company.		
8	In the opinion of Board of Directors, current assets, loans & advances, have value on realization in the ordinary course of the business at least equal to the amounts at which they are stated and provision for all known liabilities has been made in the accounts.		
9	Account balance confirmation and reconciliation not available for transactions and balances with Holding Company MTNL. Hence balance appearing in the books in respect of MTNL are subject to confirmation and reconciliation as on 31.3.2023		
10	No bill wise details available regarding status of Statutory remittances pending as per Note No.16 towards service tax liability of Rs.5,40,054/-.		



		As at March 31, 2023	As at March 31, 2022
--	--	-------------------------	-------------------------

11	The Company's Board of Directors is responsible with respect to the preparation of financial statements in accordance with the requirements of Indian Accounting Standard (Ind AS) 34, "Interim Financial Reporting" as specified under Section 133 of the Companies Act, 2013 ('Act') read with the relevant rules issued thereunder and other accounting principles generally accepted in India. The Board of Directors are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements are free from material misstatement, whether due to fraud or error.
12	Bank statement not provided by ICICI Bank having balance of Rs 100825 as account is marked under lien by the bank due to order by income tax authorities, current Status of this A/c is dormat.
13	One FDR of Rs.10,00,000/- (Principal Value) has been encashed in Apr-2023 for operational expenses.
14	CSGT and SGST of Delhi Unit wrong Input Credit of Rs.450/- will be reversed in Apr-2023 return.

As per our report attached.

For M/s SATYA PRAKASH MANGAL & COMPANY

Chartered Accountants

Firm's Registration No.:008513N

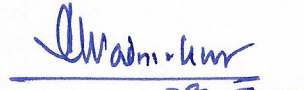


CA Satya Prakash Mangal
Partner


Membership No. 086342



For and on behalf of the Board of Directors



Arvind Vadnerkar
Chairman & Director
DIN 08597016



Sultan Ahmed
DIRECTOR
DIN 07564073

UDIN: 23086342BHADLQ5279

Place: New Delhi

Date : 29-May-2023



Ratan Mani Sumit
Company Secretary ACS15193

गोपनीय

क्रमांक दि. 28/08/2023/एन-351/मटल/22-23/37
No.

कार्यालय

प्रधान निदेशक लेखापरीक्षा, वित्त एवं संचार
शामनाथ मार्ग, (समीप पुराना सचिवालय) दिल्ली-110054

OFFICE OF THE

Principal Director Of Audit, Finance & Communication
SHAMNATH MARG, (NEAR OLD SECRETARIAT), DELHI-110054

दिनांक 28/08/2023
Date

सेवा में,

निदेशक,
मिलिनियम टेलिकोम लि.
चतुर्थ तल, 9 सीजीए भवन,
महानगर दूरसंचार सदन,
दिल्ली-110001

विषय: कंपनी अधिनियम 2013 की धारा 143(6 बी) के तहत एम टी एल के वार्षिक खाते वर्ष 2022-23 पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

एमटीएल के वार्षिक खाते वर्ष 2022-23 पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के तहत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ आपकी सूचनार्थ एवं अग्रकार्यवाही हेतु इस पत्र के साथ प्रेषित हैं।

संलग्नक : यथोपरि।

भवदीया,

शेखरी

(रोली शुक्ला माल्गे)

प्रधान निदेशक लेखापरीक्षा

(वित्त एवं संचार)

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MILLENNIUM TELECOM LIMITED FOR THE YEAR ENDED 31ST MARCH 2023

The preparation of Financial Statements of Millennium Telecom Limited (MTL) for the year ended 31st March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) 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) of the Act is/are 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 29th May 2023.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the Financial Statements of MTL for the year ended 31 March 2023. 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 Financial Statements and the related audit report:

A. Comment on Profitability

Statement of Profit and Loss

Income- ₹ 45.49 lakh

Other Income (Note 19)-₹ 45.49 lakh

Reversal of Provision- ₹ 13.82 lakh

The above head is overstated by an amount of Rs. 13.51 lakh on account of reversal of the provision to meet expenses on Thane Municipal Commission maintenance contract, which was closed after the closure of the financial year. This resulted in overstatement of the profit also by the same amount.

The Statutory Auditors also did not report this material impact on the financial statements of the Company.

B. Comment on Financial Position

Balance sheet

Assets-₹ 958.14 lakh

Non-current Asset-₹ 31.81 lakh

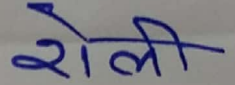
Other Non-Current Assets (Note 4)- ₹ 31.25 lakh

The above head is understated by an amount of ₹ 9.41 lakh due to excess provision for taxation made for AY 2007-08 without having any corresponding Tax asset. This also resulted in overstatement of the provision by the same amount.

Place: New Delhi

Date: 28-8-2023

For and on behalf of the
Comptroller and Auditor General of India



(Roli Shukla Malge)
Principal Director of Audit
(Finance & Communication)