

TAMIL NADU FIBRENET CORPORATION LIMITED

CIN: U74999TN2018SGC123139

Regd. Office: 807, 5th Floor, P.T. Lee Chengalvaraya Naicker Building,
Anna Salai, Chennai – 600002

Revised Board's Report**To****The Members of Tamil Nadu FibreNet Corporation Limited**

Your Directors have pleasure in placing before you the 6th Annual Report of your Company along with the audited financial statements for the financial year ended on March 31, 2024.

Financial Summary

Particulars	FY 2023-24	FY 2022-23
Revenue from Operations	-	-
Other Income	23,54,87,315	14,85,33,628
Total Income	23,54,87,315	14,85,33,628
Total Expenses	24,28,38,235	15,33,46,639
Profit/Loss before exceptional and extraordinary items and tax	(73,50,920)	(48,13,011)
Prior period items	(65,20,362)	(7,29,264)
Profit/Loss before extraordinary items and tax	(1,38,71,282)	(55,42,275)
Extraordinary items	-	3,31,51,570
Profit/(Loss) before tax	(1,38,71,282)	(3,86,93,845)
Current tax	-	-
Deferred tax	1,41,226	(8,66,790)
Profit/(Loss) for the year	(1,40,12,508)	(3,78,27,055)
Earnings per share – Basic and Diluted	-28.03	-75.70

Status of affairs of the Company – Core activities**BharatNet Phase II Project**

TANFINET was set-up as the Special Purpose Vehicle to implement the prestigious 'BharatNet' Project, at an approved cost of Rs.1815.31 Crores funded by Universal Service Obligation Fund (USOF), of the Department of Telecommunications, Government of India.

Tamil Nadu FibreNet Corporation Limited*(A Government of Tamil Nadu Undertaking)*

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The project envisages to provide highspeed 1 Gbps bandwidth services to all Gram Panchayats through robust Optical Fibre Network being laid to connect the 12,525 Gram Panchayats (GPs) to the 388 Blocks of the State.

Having declared as an Iconic project of Tamil Nadu, the project is being periodically reviewed by the Hon'ble Chief Minister of Tamil Nadu. Realizing importance of the Project which ensures social and economic equity by eliminating digital divide, the on-field implementation has progressed by leaps and bounds with the significant milestones, as on 31.03.2024, being 8676 GPs lit-up.

BharatNet Phase II – Operations & Maintenance

The Board of Directors of TANFINET had accorded approval for declaring Block Wise Go Live by establishing end to end connectivity from Block to GP. Through this significant decision, TANFINET is now able to provide connectivity services from the 8 Blocks and 252 Gram panchayats which are under Operation and Maintenance (O&M) Phase, as on 31.03.2024.

According to the pace of completion, the Block and the respective GPs will be utilized independently for providing connectivity services. A Third-Party Agency (TPA) for BharatNet project has been successfully onboarded to monitor the implementation and O&M of the System Integrators of BharatNet and validate the Service Level Agreement.

BharatNet Phase II – Last Mile Connectivity

Under the 'Special Assistance Scheme for Capital Investment- 2022-23' the Government had accorded the approval for the Last Mile Connectivity Project at an outlay of Rs. 184 Crores. This project aims to connect Government Institutions/Offices and Households using the BharatNet infrastructure.

Accordingly, M/s Polycab India Limited has been onboarded as the 'System Integrator'. to supply, install and integrate around 9,500 Optical Line Terminal (OLT) equipment with Element Management System (EMS) to monitor all Optical Network Terminal (ONTs) to be connected and configured under each OLT, across the state.

Further, M/s Railtel Corporation of India Limited has been onboarded as the 'System Integrator' for setting up a Broad band Eco system at S-NOC with a scope of provision of Authentication Accounting Authorization server, Border Network Gate Way, DDI (in combination of Domain Network Server, Dynamic Hosting Protocol and IP management server) and CGNAT (carrier Grade Network Authentication Translation).

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With the given high-end provisions, bandwidth services shall be provided with necessary contention ratio according to the customer profiling and pre-defined network plans.

Connectivity Services as 'Optional Procurement Agency'

TANFINET has been declared as an Optional Procurement Agency for connectivity services as appointed by the Government of Tamil Nadu vide G.O.(Ms) No. 25 dated 13.10.2023. Accordingly, TANFINET has been providing a wide range of bandwidth services such as Internet Leased Line, Point to Point VPN, MPLS Virtual Private Network (VPN) and Fibre to Premises with various bandwidth speed, according to the need of the respective Departments/locations, through Service Providers onboarded on rate contract basis.

In order to provide Network Services to all Government Offices and the House Hold in the rural areas, TNFINET has obtained Internet Service Provider (ISP) – Class B license on 17.04.2023 through which TANFINET has embarked its journey successfully with own competence and capability as an Internet Service Provider combating with age old Government Internet Service Providers and Private players in the field.

Unified Digital Infrastructure (UDI)

Government of Tamil Nadu has proposed the Unified Digital Infrastructure (UDI) which envisages to create a Core Network to aggregate all the access network hereunder and will act as back bone network for BharatNet architecture. Vide the proposed network architecture for UDI, the bandwidth services shall be provided from the single point of Chennai to other access networks without any interruption creating reliable fibre architecture using multiple advance technologies available for fibre optimization, signal amplification and high-speed data transmission. Several Indian states, like Andhra Pradesh and Kerala, have developed high-speed fibre optic networks using DWDM technology. Through this implementation using latest transmission technology, TANFINET would be able to operate independently without intervention or dependency from major ISPs.

Change in the nature of business

During the year, there is no change in the nature of business of the Company.

Amount transferred to the reserves of the Company

During the year under review, no amount was transferred to the capital reserves of the Company.

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Dividend

During the year, the Company has not earned revenue from operations and hence, your Directors have not recommended any dividend for the financial year 2023-24.

Share Capital

There is no change in share capital during the year. The Company has not issued any share with differential rights as to voting, dividend or otherwise.

Particulars of Loans, Guarantees and Investments

During the year, the Company has not given any loan, guarantee or made any investments under Section 186 of the Companies Act, 2013.

Deposits

The Corporation has not accepted any deposits from public during the year ended March 31, 2023 in terms of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, and as such, no amount on amount of principal or interest is outstanding as at the balance sheet date.

Change in the Board of Directors

During the year, following were the changes in the composition of the Board of Directors of the Company.

Date of Change	DIN of directors appointed	Appointment	Cessation
18.05.2023	02497450	Dr. P. Senthil Kumar I.A.S.,	Tmt. P. Amudha I.A.S.,
12.06.2023	07887010	Dr. S. Aneesh Sekhar I.A.S.,	Thiru. A. John Louis I.A.S., (FAC)
	06637866	Thiru. A. John Louis I.A.S.,	Thiru. A. K. Kamal Kishore I.A.S.,
10.07.2023	02259481	Dr. D. Karthikeyan I.A.S.,	Thiru. Shiv Das Meena I.A.S.,
04.09.2023	09744744	Thiru. M. Ramachandran	Thiru. R. Manivannan
20.10.2023	00936284	Thiru. Dheeraj Kumar I.A.S.,	Thiru. J. Kumaragurubaran I.A.S.,
16.11.2023	-	-	Thiru. A. Robert Jerard Ravi
19.12.2023	10453461	Tmt. P. Ramana Saraswathi	Thiru. A. John Louis I.A.S.,
		I.A.S.,	

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Meetings of the Board

During the year, six (6) Board Meetings were convened and held. The intervening gap between the four meetings was within the period prescribed under the Companies Act, 2013.

The details of meetings are as given below:

Date of Board Meeting	Board strength	No. of Directors present
19.05.2023	11	7
19.06.2023	11	6
27.07.2023	11	6
19.09.2023	11	7
28.11.2023	10	6
15.02.2024	10	5

Committees of the Board

The Audit Committee of TANFINET Corporation was constituted by the Board of Directors in terms of Section 177 of the Companies Act, 2013 and as per the suggestions of Finance (BPE) Department vide their letter Np.1036/FS (T)/2021-22, dated 02.09.2021. The terms of reference, role, powers and functions of the Audit Committee have also been approved by the Board covering all matters under Companies Act, 2013 and the guidelines issued by Finance (BPE) Department of Government of Tamil Nadu.

Although Section 177 of the Companies Act, 2013 does not apply to the Company, Sub-section 2 of the said section states that the Audit Committee shall consist of a minimum of three Directors with Independent Directors forming a majority. Accordingly, below is the composition of the Audit Committee of the Board as at the year-end date:

S.No	DIN	Name of the Director-Member	Position held in Committee
1	09227093	Thiru. G. K. Arun Sundar Thayalan I.A.S, Additional Secretary to Government, Finance Department	Chairman
2	07923959	Thiru. Praveen P. Nair I.A.S., Managing Director (FAC)	Member
		Electronics Corporation of Tamil Nadu Limited Tamil Nadu FibreNet Corporation Limited	

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S.No	DIN	Name of the Director-Member	Position held in Committee
3	09744744	Thiru. M. Ramachandran, Managing Director Tamil Nadu Transmission Corporation Limited	Member

The Company is in the process of inducting Independent Directors on the Board and Audit Committee in accordance with Section 149(4) of the Companies Act, 2013 read with guidelines issued by Finance (BPE) Department, Government of Tamil Nadu.

Meetings of Audit Committee of the Board

During the year, one (1) Meeting of members of Audit Committee of the Board was convened and held. The details of meetings are as given below:

Date of meeting of Audit Committee	Committee strength	No. of Members present
14.12.2023	3	2

Key Managerial Personnel

During the year under report, Thiru. A. John Louis I.A.S., (DIN: 06637866) was holding office as the Managing Director, and Tmt. G. Anjhanaa was appointed as Company Secretary with effect from 07.07.2023.

Performance Evaluation of Directors

Government Companies are exempted from the requirement of evaluation of performance of Directors under Section 178(2) of the Companies Act, 2013, vide notification dated 05.06.2015 by the Ministry of Corporate Affairs. The appointment, tenure and remuneration of the Directors are decided by the Government of Tamil Nadu, and hence none of the Directors on the Board drew any remuneration/sitting fee for attending Board/Committee meetings.

Related Party Transactions

The Corporation has not entered into any contracts or arrangements with related parties during the year under report. As per notification of Ministry of Corporate Affairs dated 05.06.2015, any transactions by a Government Company in respect of contracts and

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arrangements entered into with any other Government Company is exempted under Section 188 of the Companies Act, 2013. Accordingly, the disclosure of related party transactions in Form AOC-2 is not applicable.

Material changes and commitments

No material changes and commitments affecting the financial position of the Company have occurred after the close of the year till the date of this Report.

Significant and material orders passed by the Regulations or Courts

During the year under review, no material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Corporate Social Responsibility

Since, the Company does not fall under the criteria prescribed under Section 135(1) of the Companies Act, 2013 ('the Act'), it was not required to constitute a Corporate Social Responsibility (CSR) Committee and formulate a policy for CSR.

Internal Controls

In line with provisions of Sections 138 and 179 of the Companies Act, 2013 read with Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014, an experienced external firm, M/s Sathish & Karthikeyan, Chartered Accountants (FRN: 017651S) have been engaged as Internal Auditors, duly approved by the Board of Directors, for assessment of financial and non-financial transactions, and to check whether all checks and balances are in place and to ensure that all internal controls/systems are in order. The Audit Committee of the Company meets at regular intervals. The Internal Audit Reports along with significant/material audit findings, along with management replies, are placed before Audit Committee for review, discussions and subsequent action.

Risk Management

The Company believes that, a sound risk management framework ensures continual improvement and greater certainty in decision-making. Your Company, being a Public Sector Undertaking under Government of Tamil Nadu, the element of risk threatening the existence of the Company is minimal. Considering the progress of project implementation, the Company is in the process of identifying potential risks and determining the risk appetite, and framing a comprehensive risk management policy.

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Directors' Responsibility Statement

Pursuant to the provisions of Sections 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors, to the best of knowledge and belief and according to the information and explanation obtained by them, state that:

- i. In the preparation of annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and there are no material departures;
- ii. The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit and loss of the Company of the Company for the year ended on that date;
- iii. 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, detecting fraud and other irregularities;
- iv. The annual accounts have been prepared on a going concern basis
- v. The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. 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.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Since there was no unpaid/unclaimed dividend declared and paid, the provisions of Section 125 of the Companies Act, 2013 do not apply to the Company.

Managerial Remuneration and Particulars of Employees

The Company being a Government Company is exempted to furnish information under Section 197 of the Companies Act, 2013, vide Notification No. GSR-163(E) dated June 5, 2015 issued by Ministry of Corporate Affairs.

Statutory Auditors

The Comptroller and Auditor General of India, New Delhi, had vide letter dated 20.09.2023 appointed M/s. P L & Associates, Chartered Accountants (FRN: 006143S), as Statutory

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Auditor of the Company for the financial year 2023-24 pursuant to the provisions of Section 139 of the Companies Act, 2013. The Auditors Report for the financial year ended March 31, 2024 forms part of this Annual Report.

Explanation or comments on the qualifications, reservations or adverse remarks or disclaimer made by the Statutory Auditor

The Auditors have given an unqualified opinion in terms of the Companies (Auditor's Report) Order, 2020, indicating that there has been no material misstatements in the financial statements of the Corporation. The Auditors have drawn the attention to Note XX of the financial statements. Accordingly, the management's reply in this matter is as below:

Emphasis of Matter Paragraph in the Independent Auditor's Report	Management's Reply
i) We draw attention to Note no. XX to the Accounting Financial Statements relating to the GST TDS amount to the tune of Rs. 6,09,002/- paid/credited to specified individuals/entities with whom the Company had no business transactions/connections. We relied on the Internal Audit Report for the year 2023-24 produced to us. Accordingly, it is concluded that, the amount (Rs. 6,09,002/-) has been duly recovered and the necessary amendments have been made in the subsequent GST TDS returns pertaining to FY 24-25. Our opinion is not modified in respect of this matter	The credit of GST TDS to specified individuals/entities with whom the Company had no business transactions /connections to the tune of Rs.6,09,002/- was duly recovered, and the Company has abided by the directions provided by the Board at their 25 th and 26 th meetings held on 27.05.2024 and 04.10.2024. Further, the Company is taking efforts to strengthen internal control mechanisms.
ii) The Company has not disclosed Capital Work in progress of Rs.8,20,59,30,746/- separately under Capital Work in progress under property, Plant and Equipment Fixed assets and Intangible assets as per schedule III.	The Capital Work in progress of Rs.8,20,59,30,746/- will be disclosed separately from the financial year 2024-25.

No instance of fraud has been reported by the Auditors under Section 143(12) of the Companies Act, 2013.

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Comments of Comptroller & Auditor General of India (C&AG)

The Company being a Government Company, the C&AG undertakes supplementary audit of the accounts of the Company. Pursuant to the approval of audited financial statements of the Company, the same would be submitted to the C&AG for their comments thereon. Accordingly, the replies of the management on the comments of C&AG, if any, will be placed before the Board for their consideration and subsequently the financial statements, together with the report of C&AG will be placed for adoption by the shareholders at the Annual General Meeting.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Since the Company has no manufacturing facility, the disclosure of particulars relating to conservation of energy and technology absorption in terms of Section 134 of the Companies Act, 2013 and the rules made thereunder is not applicable.

There were no foreign exchange earnings and outgo during the year under report.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Board of Directors, at their 18th meeting held on 29.03.2023 approved the constitution of an Internal Complaints Committee (ICC) pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, with the following members:

1. General Manager (Projects 1)
2. General Manager (Projects 2)
3. General Manager (Finance & Accounts)
4. An External Member in accordance with Section 4(2)(c) of the said Act

During the year, no complaints were received/filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Acknowledgement

Your Directors place on record their gratitude for the support and co-operation received from the Government of Tamil Nadu and the authorities working under them. Your Directors

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also express their sincere thanks for the constructive suggestions of Statutory Auditors, Internal Auditors and Comptroller & Auditor General of India, during the audit process.

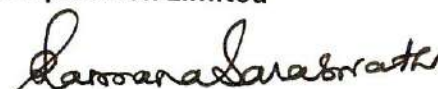
Your Directors would also like to acknowledge the services of various stakeholders and bankers in furthering the activities of the Company. Your Directors would also like to place on record their appreciation for the untiring efforts contribution made by all the officers and staff of the Company to ensure its growth.

**For and on behalf of the Board of Directors of
Tamil Nadu FibreNet Corporation Limited**



Chairman

DIN: 01820616



Managing Director

DIN: 10453461

Place: Chennai

Date:

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Independent Auditors' Report

TO,

THE MEMBERS OF Tamil Nadu Fibrenet Corporation Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Tamil Fibrenet Corporation Limited**, which comprise the Balance Sheet as at **31/03/2024**, the Statement of Profit and Loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024 and its **Loss** for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter Paragraph:

We draw attention to Accounting Financial Statements on the following matters:

- a) *Note (27) to the financial Statements relating to the GST TDS amount to the tune of Rs. 6,09,002/- paid/ credited to specified individuals/ Entities with whom the company has no business transactions/ connections. We relied on the Internal Audit Report for the year 2023-24 produced to us. Accordingly, It is concluded, that the amount of Rs.6,09,002/- has been duly recovered and the necessary amendments have been made in the subsequent GST TDS returns pertaining to FY 2024-25. Our opinion is not modified in respect of this matter.*



Information Other than the 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 financial statements and our auditor's report thereon.

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

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

When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibility of Management and those charged with governance for the IND AS Financial Statements.

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these (IND AS) financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in Equity 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 the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the IND AS 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.



Auditors' Responsibility for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing (SA's) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control 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 the management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the 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 Management 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 Management 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 Management, we determine those matters that were of most significance in the audit of the 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 communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') read with amendment made issued by the Central Government of India in terms of sub-section (11) of Section 143 of the **Companies Act, 2013**, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard Rules notified;
 - (e) As the Company is a State Government Public Sector undertaking the provisions of section 164 of the Companies act 2013 relating to disclosure of interest by the board of directors is not applicable to them vide MCA notification;



- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- (g) With respect to the matter to be included in the auditor's report under section 197(16) of the companies act: In our opinion and according to the information and explanation given to us, the Company has paid as part of managerial remuneration to the Key Managerial Personnel being Managing director of the company however the provisions of section 197 of the companies act 2013 read with the schedules are not applicable to government companies.
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 read with Companies (Audit and Auditors) Amendment Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us:
- i. According to the Information and explanations given to us, the Company did not have any pending litigations on its financial position in its financial statements.
 - ii. According to the Information and explanations given to us, the Company did not have any long-term contracts including derivative contracts.
 - iii. According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company.
 - iv. a. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity 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 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, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity 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 or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and




- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement.
- v. According to the information available, the Company has not declared or paid dividend during the financial year 2023-24. Accordingly, reporting under Rule 11 (f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the year ended for the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same were operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024 as it is in first year of implementation of audit trail.

Place: Chennai
Date: 13.11.2024

For P.L. & Associates
Chartered Accountants


Prabha.G
(Proprietrix)

M.No. : 201707

Reg. No. 006143S

UDIN: 24201707BKFBYI6508



Annexure-A
Reports under The Companies (Auditor's Report) Order, 2020 (CARO 2020) for the
year ended on 31st March 2024

To,

The Members of TAMIL NADU FIBRENET CORPORATION LIMITED

We report that:-

Sl. No.	Comment Required on	Auditor's Opinion on Following Matter	Auditor's Remark
i (a) (A)	Property, Plant and Equipment and Intangible Assets	Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.?	According to the information and explanation given to us, the company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
i (a) (B)		Whether the company is maintaining proper records showing full particulars of intangible assets;	According to the information and explanation given to us, the Company is maintaining proper records showing full particulars of Intangible assets.
i (b)		Whether these Plant and Equipment and Intangible Assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of accounts?	Property, Plant and Equipment have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
i (c)		Whether the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company, if not, provide the details thereof	According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no immovable property in the name of the Company and so the verification of title deeds of immovable property is not applicable
i (d)		Whether the company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered Valuer; specify the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or Intangible assets;	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.



i (e)		Whether any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, if so, whether the company has appropriately disclosed the details in its financial statements;	According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company as at 31st March, 2024 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made
ii (a)	Inventory and other current assets	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate; whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of account?	There are no inventories held by the Company. Hence this provisions are not applicable to the Company and not commented upon.
ii (b)		Whether during any point of time of the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; whether the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company, if not, give details;	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets.
(iii)	Investment, Loans or Advances by Company	Whether during the year the company has 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, if so,	According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013. Accordingly the reporting requirements under the order are not applicable and commented upon.
iii (a)		whether during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity [not applicable to companies whose principal business is to give loans], if so, indicate-	According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.
iii (a) (A)		The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates	According to the information and explanation given to us and on the basis of the examination of the records of the Company, the Company has not granted any loans to subsidiaries, joint ventures and associates during the year under Audit and hence this clause is not applicable



iii (a) (B)		The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates	According to the information and explanation given to us and on the basis of the examination of the records of the Company, the Company has not granted any loans to other than subsidiaries, joint ventures and associates during the year under Audit and hence this clause is not applicable
iii (b)		Whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest	According to the information and explanations given to us, the Company has not made any investments, provided guarantees and given securities, the rate of interest and other terms and conditions for such loans are not applicable
iii (c)		In respect of loans and advances in the nature of loans, whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular?	According to the information and explanation given to us and on the basis of the examination of the records of the Company, the Company has not provided any loans or advances in the nature of loans during the year and hence reporting under this clause is not applicable to the Company
iii (d)		If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest?	According to the information and explanation given to us and on the basis of the examination of the records of the Company, the company has not given any loans or advances in the nature of loans and hence reporting under this clause is not applicable to the Company
iii (e)		Whether any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties, if so, specify the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year [not applicable to companies whose principal business is to give loans];	According to the information and explanation given to us and on the basis of the examination of the records of the Company, the company has not given any loans or advances in the nature of loans and hence reporting under this clause is not applicable to the Company.
iii (f)		Whether the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013;	According to the information and explanation given to us and on the basis of the examination of the records of the Company, the company has not given any loans or advances in the nature of loans and hence reporting under this clause is not applicable to the Company.



(iv)	Loan to Directors and Investment by the Company	In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	According to the information and explanation given to us and on the basis of the examination of the records of the Company, the Company has not given/made any loans, investments and securities requiring compliance with the provisions of section 185 and 186 of the Companies Act, 2013
(v)	Deposits Accepted by the Company	In respect of deposits accepted by the company or amounts which are deemed to be deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder, where applicable, have been complied with, if not, the nature of such contraventions be stated; if an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not	According to the information and explanation given to us and on the basis of the examination of the records of the Company, the Company has not accepted any deposits or amount which are deemed to be deposits from public and hence reporting under this Clause is not applicable.
(vi)	Maintenance of Cost records	Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained?	To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the year under audit.
vii (a)	Statutory Dues	Whether the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated?	The company is regular in depositing with appropriate authorities undisputed statutory dues including income tax, Goods and service tax, and any other statutory dues applicable to it.
vii (b)		Where statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned	The Statutory dues as applicable to the Company has been duly deposited and therefore there is no amount due under dispute in any forum as at the end of the financial year.
(viii)	Disclosure of Undisclosed Transactions	Whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, if so, whether the previously unrecorded income has been properly recorded in the books of account during the year	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.



ix (a)	Loans or Other Borrowings	Whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, if yes, the period and the amount of default to be reported in the format given	According to the information and explanations given by the management, the company has not obtained any loan from financial institution, bank and hence the question of default does not arise.
ix (b)		Whether the company is a declared wilful defaulter by any bank or financial institution or other lender;	According to the information and explanations given to us and on the basis of our examination of the records of the Company, this clause is not applicable as the company has not obtained any loan from any bank or financial institution.
ix (c)		Whether term loans were applied for the purpose for which the loans were obtained; if not, the amount of loan so diverted and the purpose for which it is used may be reported;	According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, this clause is not applicable.
ix (d)		Whether funds raised on short term basis have been utilised for long term purposes, if yes, the nature and amount to be indicated;	According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, this clause of the Order is not applicable.
ix (e)		Whether the company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, if so, details thereof with nature of such transactions and the amount in each case;	According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, this clause is not applicable.
ix (f)		Whether the company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, if so, give details thereof and also report if the company has defaulted in repayment of such loans raised;	According to the information and explanation given to us and on an overall examination of the financial statements of the Company, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate companies and hence reporting under this Clause of the Order is not applicable to the Company.



x (a)	Money raised by IPO, FPOs	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification? if any, as may be applicable, be reported.	According to the information and explanations given to us the company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year
x (b)		Whether the company has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and if so, whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised, if not, provide details in respect of amount involved and nature of non-compliance;	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence this clause is not applicable.
xi (a)	Reporting of Fraud During the Year	Whether any fraud by the company or any fraud on the company has been noticed or reported during the year, if yes, the nature and the amount involved is to be indicated	Based on the examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year,
xi (b)		Whether any 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;	According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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.
xi (c)		Whether the auditor has considered whistle-blower complaints, if any, received during the year by the company;	As represented to us by the management, there are no whistle-blower complaints received by the Company during the year.
xii (a)	Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio	Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1:20 to meet out the liability?	According to the information and explanations given to us, the Company is not a Nidhi Company. Hence reporting under this clause of the Order is not applicable to the Company.
xii (b)		Whether the Nidhi Company is maintaining ten per cent. unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, this clause is not applicable



xii (c)		Whether there has been any default in payment of interest on deposits or repayment thereof for any period and if so, the details thereof;	According to the information and explanations given to us, the Company is not a Nidhi Company and hence the clause relating to default in payment of interest on deposits does not apply. Accordingly, this clause is not applicable
(xiii)	Related party transactions	Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards?	According to the information and explanations given to us, all transactions with the related parties, are in compliance with Section 177 and 188 of the Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards
xiv (a)	Internal audit system	Whether the company has an internal audit system commensurate with the size and nature of its business;	Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business subject to there is an erroneous payment of GST TDS which was observed and recovered/ amended in the subsequent GST TDS returns pertaining to FY 24-25
xiv (b)		Whether the reports of the Internal Auditors for the period under audit were considered by the statutory auditor;	We have considered the internal audit reports of the Company issued till date for the period under audit.
(xv)	Non cash transactions	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act have been complied with?	According to information available, the company has not entered into any non-cash transactions with directors or persons connected with him.
xvi (a)	Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained?	According to information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Hence reporting under this Clause of the order is not applicable to the Company.
xvi (b)		Whether the company has conducted any Non-Banking Financial of 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;	The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 . Accordingly, this clause is not applicable.



xvi (c)		Whether the company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, if so, whether it continues to fulfil the criteria of a CIC, and in case the company is an exempted or unregistered CIC, whether it continues to fulfil such criteria;	The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, this clause is not applicable.
xvi (d)		Whether the Group has more than one CIC as part of the Group, if yes, indicate the number of CICs which are part of the Group;	According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of this clause are not applicable.
(xvii)	Cash Losses	Whether the company has incurred cash losses in the financial year and in the immediately preceding financial year, if so, state the amount of cash losses;	According to the information and explanation provided to us the company has incurred cash loss of Rs 1.25 crore during the financial year.
(xviii)	Consideration of outgoing auditors	Whether there has been any resignation of the statutory auditors during the year, if so, whether the auditor has taken into consideration the issues, objections or concerns raised by the outgoing auditors;	There has been resignation of the Statutory auditors during the year. The auditor has taken into consideration, the issues, objections, or concerns raised by the outgoing auditors
(xix)	Material uncertainty in relation to realisation of financial assets and payment of financial liabilities	On the basis of the financial ratios, ageing and expected dates of realisation 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, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is 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;	According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get



			discharged by the Company as and when they fall due.
xx (a)	Compliance of CSR	Whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;	According to the information and explanation given to us, provisions of Section 135 is not applicable to the Company and hence reporting under this Clause of the order is not applicable to the Company
xx (b)		Whether any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;	According to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, this clause is not applicable.
(xxi)	Qualifications or adverse remarks in the consolidated financial statements	Whether there have been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements, if yes, indicate the details of the companies and the paragraph numbers of the CARO report containing the qualifications or adverse remarks.	There are no qualifications and adverse remarks for the year under audit

For P.L. & Associates
Chartered Accountants

Prabha.G
(Proprietrix)

M.No. : 201707

Reg. No. 006143S

UDIN No: 24201707BKFBYI6508



Place :Chennai
Date :13.11.2024

Annexure B to the Independent Auditors' Report

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 **TAMILNADU FIBRENET CORPORATION LIMITED** as on 31st March, 2024 in conjunction with our Audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' 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 were established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

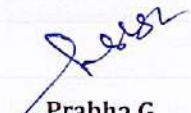
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the respective Companies 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.

Place: Chennai
Date: 13.11.2024

For P.L. & Associates
Chartered Accountants


Prabha.G
(Proprietrix)

M.No. : 201707
Reg. No. 006143S

UDIN: 24201707BKFBY16508



CIN: U74999TN2018SGC123139



TAMILNADU FIBRENET CORPORATION LIMITED

CIN NO. U74999TN2018SGC123139

807, 5th Floor P.T.Lee Chengalvarayan Naicker Building Anna Salai, Chennai-600002

BALANCE SHEET AS AT 31 st MARCH, 2024				
	PARTICULARS	NOTE No.	AS AT 31-03-2024	AS AT 31-03-2023
I	EQUITY AND LIABILITIES		Rs.	Rs.
1	SHARE HOLDERS' FUNDS			
	(a) SHARE CAPITAL	3	50,00,000	50,00,000
	(b) RESERVES AND SURPLUS	4	(11,83,58,911)	(9,11,55,524)
2	NON-CURRENT LIABILITIES			
	(a) OTHER LONG TERM LIABILITIES	5	10,95,19,35,323	5,08,10,89,770
	(b) DEFERRED TAX LIABILITIES (NET)		-	-
3	CURRENT LIABILITIES			
	(a) TRADE PAYABLES	6	3,93,80,50,495	84,78,42,269
	(A) Total outstanding due of Micro enterprises and small enterprises; and			
	(B) Total outstanding due of creditors other than Micro enterprises and small enterprises;			
	(b) OTHER CURRENT LIABILITIES	7	12,06,73,919	3,68,09,656
	(c) SHORT TERM PROVISIONS	8	1,58,500	11,91,697
	TOTAL		14,89,74,59,325	5,88,07,77,869
II	ASSETS			
1	NON-CURRENT ASSETS			
	(a) PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS			
	(i) PROPERTY, PLANT & EQUIPMENT	9	8,21,01,94,699	2,35,56,77,506
	(ii) INTANGIBLE ASSETS		19,85,842	-
	(b) DEFERRED TAX ASSET (NET)		12,29,599	13,70,825
	(c) LONG TERM LOANS & ADVANCES	10	10,000	10,000
			8,21,34,20,140	2,35,70,58,330
2	CURRENT ASSETS			
	(a) CASH AND CASH EQUIVALENTS	11	3,31,88,04,474	3,00,61,36,628
	(b) SHORT-TERM LOANS AND ADVANCES	12	2,55,812	48,50,890
	(c) OTHER CURRENT ASSETS	13	3,36,49,78,899	51,27,32,021
	TOTAL		14,89,74,59,325	5,88,07,77,869
Notes forming part of the Financial Statements		(1-20)		

As per our report of even date

for P.L. & Associates,

Chartered Accountants

FRN: 0061435

For and on behalf of the Board of Directors of

TAMIL NADU FIBRENET CORPORATION LIMITED



CA. PRABHA G.

(Proprietrix)

M. No.: 201707

UDIN: 24201707BKFBYI6508

Chairman
DIN: 01820616Managing Director
DIN: 10453461

Company Secretary

Place: Chennai

Date: 13-11-2024

Tamil Nadu FibreNet Corporation Limited

(A Government of Tamil Nadu Undertaking)

807, 5th Floor, P.T. Lee Chengalvaraya Naicker Maaligai, Anna Salai, Chennai - 600 002

Ph: 044-2888 8230 website: www.tanfinet.tn.gov.in email: tanfinet@tn.gov.in

TAMILNADU FIBRENET CORPORATION LIMITED

CIN NO. U74999TN2018SGC123139

807, 5th Floor P.T. Lee Chengalvarayan Naicker Building Anna Salai, Chennai-600002

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2024

PARTICULARS		NOTE No.	PERIOD ENDED 31-03-2024	PERIOD ENDED 31-03-2023
	REVENUE			Rs.
I	REVENUE FROM OPERATIONS	14	-	-
II	OTHER INCOME	15	23,54,87,315	14,85,33,628
III	TOTAL INCOME (I+II)		23,54,87,315	14,85,33,628
IV	EXPENSES			
	EMPLOYEE BENEFIT	16	7,13,68,272	4,88,82,816
	FINANCE COST	17	13,64,606	2,92,668
	DEPRECIATION	18	14,85,026	15,19,649
	OTHERS	19	16,86,20,331	10,26,51,506
	TOTAL EXPENSES		24,28,38,235	15,33,46,639
V	PROFIT/(LOSS) BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS & TAX (III - IV)		(73,50,920)	(48,13,011)
VI	PRIOR PERIOD ITEMS	20	(65,20,362)	(7,29,264)
VII	PROFIT/(LOSS) BEFORE EXTRAORDINARY ITEMS AND TAX (V - VI)		(1,38,71,282)	(55,42,275)
VIII	EXTRAORDINARY ITEMS		-	3,31,51,570
IX	PROFIT/(LOSS) BEFORE TAX (VII - VIII)		(1,38,71,282)	(3,86,93,845)
X	TAX EXPENSE:			
	(1) CURRENT TAX		-	-
	(2) EARLIER YEARS			
	(3) DEFERRED TAX		1,41,226	(8,66,790)
	(4) DEFERRED TAX (PRIOR PERIODS)		-	-
XI	PROFIT / (LOSS) AFTER TAX FOR THE PERIOD FROM CONTINUING OPERATIONS (IX-X)		(1,40,12,508)	(3,78,27,055)
XII	PROFIT / (LOSS) FOR THE PERIOD		(1,40,12,508)	(3,78,27,055)
XIII	EARNINGS PER EQUITY SHARE			
	(1) BASIC			
	(2) DILUTED			
Notes forming part of the Financial Statements		(1-29)		

As per our report of even date
for P.L. & Associates,
Chartered Accountants
FRN: 006143S



CA. PRABHA G.
(Proprietrix)
M. No.: 201707
UDIN: 24201707BKFBYI6508

Place: Chennai
Date: 13-11-2024

For and on behalf of the Board of Directors of
TAMIL NADU FIBRENET CORPORATION LIMITED



Chairman
DIN: 01820616

Managing Director
DIN: 10453461

Company Secretary

Tamil Nadu FibreNet Corporation Limited

(A Government of Tamil Nadu Undertaking)

807, 5th Floor, P.T. Lee Chengalvaraya Naicker Maaligai, Anna Salai, Chennai - 600 002
Ph:044-2888 8230 website: www.tanfinet.tn.gov.in email: tanfinet@tn.gov.in

TAMILNADU FIBRENET CORPORATION LIMITED

CIN NO. U74999TN2018SGC123139

807, 5th Floor P.T. Lee Chengalvarayan Naicker Building Anna Salai, Chennai - 600002

CASH FLOW STATEMENT FOR THE YEAR 2023-2024

PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxation, Exceptional and extraordinary item	(1,40,12,508)	(3,78,27,055)
Depreciation and Amortisation Expense	14,85,026	15,19,649
Interest on Fixed Deposits	15,66,004	9,32,337
Current Tax	-	-
Deferred Tax	1,41,226	(8,66,790)
<u>Operating Profit before working capital changes:</u>		
Adjustment for:		
Other Current Assets	(2,85,22,46,878)	(45,78,36,941)
Effect of Change in Accounting Policy - interest on Un-utilised Govt Grant	(1,31,90,880)	(4,88,34,976)
Short term Loans	45,95,078	30,83,74,714
Long Term Loans & Advances	-	-
Trade Payables	3,09,02,08,226	84,03,86,982
Other Current Liabilities	8,38,64,262	3,17,01,044
Short-term Provisions	(10,33,197)	(43,30,394)
Cash generated from Operations	30,13,76,360	63,32,18,571
Income taxes paid	-	-
Net Cash from Operating Activities	30,13,76,360	63,32,18,571
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(5,85,79,88,062)	(2,35,44,03,911)
Interest on Fixed Deposits	(15,66,004)	(9,32,337)
Loans and Advances	5,87,08,45,553	2,71,97,69,330
Net Cash (Used in) / Generated from Investing Activities	1,12,91,487	36,44,33,081
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	-	-
Net Cash (Used in)/Generated from Financing Activities	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents	31,26,67,847	99,76,51,652
Opening Balance of Cash and Cash Equivalents	3,00,61,36,628	2,00,84,84,976
Closing Balance of Cash and Cash Equivalents	3,31,88,04,474	3,00,61,36,628
	0	(0)

As per our report of even date
for P.L. & Associates, Chartered Accountants
Chartered Accountants
FRN: 0061435

For and on behalf of the Board of Directors of
for TAMILNADU FIBRENET CORPORATION LIMITED



CA. PRABHA G.
(Proprietrix)
M. No.: 201707
UDIN: 24201707BKFBYI6508



Chairman
DIN: 01820616

Managing Director
DIN: 10453461

Company Secretary

Place : Chennai
Date : 13-11-2024

Tamil Nadu FibreNet Corporation Limited

(A Government of Tamil Nadu Undertaking)

807, 5th Floor, P.T. Lee Chengalvaraya Naicker Maaligai, Anna Salai, Chennai - 600 002
Ph:044-2888 8230 website: www.tanfinet.tn.gov.in email: tanfinet@tn.gov.in



TANFINET

TAMIL NADU FIBRENET CORPORATION LIMITED

(A Government of Tamil Nadu Undertaking)

1. COMPANY INFORMATION

Tamil Nadu FibreNet Corporation Limited (TANFINET or 'The Company'), is a company incorporated on 08th June 2018, under the Companies Act, 2013 to carry on the business of establishment, management and operation of optical fibre network and any other internet delivery system and to enable and provide Internet connectivity across the State of Tamil Nadu.

TANFINET is the Special Purpose Vehicle (SPV) wholly owned by Government of Tamil Nadu for the purpose of implementation of BharatNet Project in the State of Tamil Nadu. Where the term 'BharatNet Project' means a Government of India Project for provisioning of Broadband connectivity to all Gram Panchayats.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting and comply with the Accounting Standards prescribed in Section 133 of Company Act 2013 and other accounting principles generally accepted in India, to the extent applicable. The financial statements are presented in Indian Rupees. The Company is a non SMC and Level 1 (Large) entity as defined in the General Instructions in respect of Accounting Standards (AS) notified under the Act. Accordingly, the Company has complied with the all the Accounting Standards.

These financial statements have been prepared as required under relevant provision of the Companies Act, 2013 and the presentation is based on the Schedule III of the Companies Act, 2013. All assets and liabilities are classified into current and non-current generally based on the criteria of realization / settlement within twelve months' period from the balance sheet date

(b) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.





TANFINET

TAMIL NADU FIBRENET CORPORATION LIMITED

(A Government of Tamil Nadu Undertaking)

Any revision to accounting estimates is recognized prospectively in current and future periods.

(c) Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policy:

All items of income and expense in the period are included in the determination of Net Profit or Loss for the period, unless specifically mentioned elsewhere in the financial statements or is required by any Accounting Standard.

(d) Inventories

The Company has no inventories. Hence, provisions of AS-2 on Valuation of Inventories are not applicable.

(e) Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand, balances with banks in current accounts. Cash equivalents are highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(f) Cash Flow Statements:

Cash Flow Statement has been prepared under indirect method. Cash and Cash Equivalents comprise of cash in hand, Current and other accounts (including short term deposits, fixed deposits) held with Nationalized and Scheduled Banks.

(g) Revenue Recognition

Interest income except interest earned on unutilized Government grants is recognized as revenue on accrual basis of accounting.

The company treated interest income on Fixed deposit invested out of mobilization advances/project fund as interest income and credited the same to Profit & Loss a/c for year ended 31st March 2021.

However, on review of MoU dated 26th December 2017 between Universal Service Obligation Fund (USOF) and Bharat Broadband Network Limited (BBNL) and Government of Tamil Nadu and TamilNadu Arasu Cable T.V. Corporation Limited (TACTV-the then State Implementing Agency) the interest has to be credited to corpus account.





TANFINET

TAMIL NADU FIBRENET CORPORATION LIMITED

(A Government of Tamil Nadu Undertaking)

Further, As per the instructions of the BPE ((Letter No.1943 /Finance(BPE)/2020, dated 6.2.2020)), any interest so earned through the investments made from unspent grants shall be (a) considered as part of such grant and such interest income shall be adjusted against subsequent release of grants-in-aid by the Government and shall not be considered as an income of the Government entity and (b) remitted to Government account after finalization of accounts, in case where the purpose of utilization of such Grant is completed.

Considering the above, management has changed the accounting the policy on treatment of interest earned on unutilized Government grant during the FY 2021-22. Retrospective effect of change in accounting policy as per AS – 5 has been considered in financial year 2022-23 and requisite disclosures have been provided in the notes to financial statement. Further, there is no change in accounting policy with respect to recognition of revenue during the FY-2023-24

(h) Property, Plant and Equipment

Tangible fixed assets are carried at cost of acquisition or construction (net of GST) less accumulated depreciation, amortization and/or accumulated impairment loss, if any. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

(i) Depreciation/ amortization

Depreciation on Tangible assets is provided on Written down value method based on the useful life of the assets as per Schedule II to the Companies Act, 2013. Depreciation on additions during a year is provided on pro-rata basis





TANFINET

TAMIL NADU FIBRENET CORPORATION LIMITED

(A Government of Tamil Nadu Undertaking)

Types of Assets	Period
Building – Leasehold	3 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office Equipment	5 Years
Computers – End User devices	3 Years

**Depreciation / Amortisation restricted to the period of Lease*

(j) Impairment of Assets:

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of Impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future Cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognized as income in the statement of profit and loss.

(k) Current and Advance Tax:

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. As per section 208 of income tax act, 1961, every person whose estimated tax liability for the year is Rs. 10,000/- or more shall pay his tax in advance in form of "advance tax". Provisions pertaining to Advance tax under income tax act, 1961 shall not be applicable to TANFINET as corporation is making net loss during the financial year 2023-24.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.





TANFINET

TAMIL NADU FIBRENET CORPORATION LIMITED

(A Government of Tamil Nadu Undertaking)

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

(l) Employee benefits

i. Post-employment benefit plans

Contributions to defined contribution retirement benefit schemes are recognized as expense when employees have rendered services entitling them to such benefits

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out each balance sheet date. Actuarial gains and losses are recognized in full in the statement of profit and loss for the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested, or amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit / obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any assets resulting from this calculation is limited to the present value of available funds and reductions in future contribution to the scheme.

ii. Other employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave, overseas social security contributions and performance incentives.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.





TANFINET

TAMIL NADU FIBRENET CORPORATION LIMITED

(A Government of Tamil Nadu Undertaking)

(m) Provisions, Contingent liabilities and Contingent assets

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

(n) Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split, if any. The Company does not have any dilutive potential equity shares.

(o) Leases

As per Accounting Standard 19 (AS-19), Leases, issued by the Institute of Chartered Accountants of India an enterprise which is a commercial, industrial and business reporting enterprises, whose turnover for the immediately preceding accounting period on the immediately preceding accounting period on the basis of audited financial statements does not exceeds Rs. 50 crore, is required to disclose the information required by paragraphs 22(c), (e) and (f); 25(a), (b) and (e); 37(a), (f) and (g); and 46(b), (d) and (e), of this standard. However, there are no leases during FY 2023-24.

(p) Related Party Disclosures:

No disclosure is required in the financial statements of state-controlled enterprises as regards related party relationships with other state-controlled enterprises and transactions with such enterprises.



TAMILNADU FIBRENET CORPORATION LIMITED						
CIN NO. U74999TN201856C123139						
807, 5th Floor P.T.Lee Chengalvarayan Naicker Building Anna Salai, Chennai-600002						
NOTES TO BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR 2023-24						
PARTICULARS				AS AT 31-03-2024	AS AT 31-03-2023	
NOTE : 3						
SHARE CAPITAL						
AUTHORISED						
5,00,000 EQUITY SHARES OF Rs.10/- EACH				50,00,000	50,00,000	
ISSUED, SUBSCRIBED AND FULLY PAID UP						
5,00,000 EQUITY SHARES OF Rs.10/- EACH				50,00,000	50,00,000	
Total				50,00,000	50,00,000	
(a) RECONCILIATION OF NUMBER OF SHARES						
EQUITY SHARES						
AT THE BEGINNING OF THE YEAR						
- NUMBER OF SHARES				5,00,000	5,00,000	
- AMOUNT IN ^						
CHANGES DURING THE YEAR						
- NUMBER OF SHARES				-	-	
- AMOUNT IN ^				-	-	
SHARES ISSUED DURING THE YEAR						
- NUMBER OF SHARES				-	-	
AT THE END OF THE YEAR						
- NUMBER OF SHARES				5,00,000	5,00,000	
(b) DETAILS OF SHARES HELD BY SHARE HOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY						
AT 31 March-2024						
Excellency Governor of Tamil Nadu			99.99%	4,99,984	4,99,984	
Total				4,99,984	4,99,984	
				99.99%	99.99%	
Details of Shares held by Promoters at end of year						
S.No	Promotor name			No.of Shares	% of total shares	% change during the year
1	Excellency Governor of			4,99,984	99.9968%	Nil
2	Principal Secretary to			2	0.0004%	Nil
3	Secretary to Govt-IT and Digital Service			2	0.0004%	Nil
4	Add. Chief Secretary to			2	0.0004%	Nil
5	Secretary to Govt -Envrinment			2	0.0004%	Nil
6	Principal Secretary to			2	0.0004%	Nil
7	Principal Secretary Govt-			2	0.0004%	Nil
8	Managing Director-ELCOT			2	0.0004%	Nil
9	Chief Executive officer,			2	0.0004%	Nil
Total				5,00,000	100.0000%	



(c) RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO SHARES		
1.The Company has one class of equity shares having a per value of Rs.10 each. Each shareholder is eligible for one vote per share held.		
2.The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing AGM, except in case of interim dividend. Due to non availability of disposable profits, the Board of Directors recommend "NIL" dividend for the FY 2023-24.		
3.In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the shareholding.		
PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE : 4		
RESERVES & SURPLUS		
CAPITAL RESERVES	-	-
SURPLUS/(DEFICIT) IN STATEMENT OF PROFIT AND LOSS		
(i) OPENING BALANCE	(9,11,55,524)	(44,93,493)
(ii) ADD: PROFIT/(LOSS) FOR THE YEAR	(1,40,12,508)	(3,78,27,055)
(iv) Effect of change in accounting policy with regard to interest earned on un-utilised govt. grant and reversal of excess provision	(1,31,90,880)	(4,88,34,976)
(v) CLOSING BALANCE		
Total	(11,83,58,911)	(9,11,55,524)
PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE : 5		
OTHER LONG TERM LIABILITIES		
DEFERRED INCOME		
GOVERNMENT GRANTS:		
BBNL & LMC - Project Fund (Table A)	10,95,19,35,323	5,04,11,16,284
BBNL - Interest accrued	-	2,84,65,171
ELCOT	-	1,15,08,315
Total	10,95,19,35,323	5,08,10,89,770
PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE : 6		
TRADE PAYABLES		
	3,93,80,50,495	84,78,42,269
Total	3,93,80,50,495	84,78,42,269
PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE : 7		
OTHER CURRENT LIABILITIES		
OTHER PAYABLES	33,75,083	6,21,017
SECURITY DEPOSITS	-	-
EARNEST MONEY DEPOSIT	9,74,300	3,74,300
PROVISION EXPENSES FOR THE FY23-24	3,55,83,944	1,56,11,083
ADVANCE RECEIVED FROM CUSTOMERS	6,20,91,929	
STATUTORY LIABILITIES		
STATUTORY DUES	41,59,105	24,35,019
GST TDS PAYABLE	58,00,622	74,85,263
TDS PAYABLE - Salary/Contract/Professional/Rent	86,88,935	1,02,74,225
PROFESSIONAL TAX	-	8,750
Total	12,06,73,919	3,68,09,656



PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE :8		
SHORT TERM PROVISIONS		
AUDIT FEES PAYABLE	1,58,500	1,65,920
OTHERS		
PROVISION FOR INCOME TAX - AY 2022-23	-	10,25,777
Total	1,58,500	11,91,697
PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE :10		
LONG TERM LOANS & ADVANCES		
SECURITY DEPOSITS	10,000	10,000
Total	10,000	10,000
PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE : 11		
CASH AND BANK BALANCES		
CASH AND CASH EQUIVALENTS		
(1) BALANCES WITH BANKS		
(i) IN CURRENT ACCOUNTS	21,11,570	9,57,99,671
(ii) CASH ON HAND	6,120	31,788
Total (a)	21,17,690	9,58,31,459
(2) OTHER BANK BALANCES		
(i) IN DEPOSIT ACCOUNTS WITH MATURITY PERIOD MORE THAN 3 MONTHS BUT LESS THAN 12 MONTHS	3,31,66,86,784	2,91,03,05,169
Total (b)	3,31,66,86,784	2,91,03,05,169
Total (a+b)	3,31,88,04,474	3,00,61,36,628
PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE : 12		
SHORT TERM LOANS AND ADVANCES		
OTHER LOANS & ADVANCES SECURED, CONSIDERED GOOD		
SHORT TERM LOANS AND ADVANCES	-	47,30,713
STAFF ADVANCE	1,35,635	-
OTHER ADANCE	1,20,177	1,20,177
Total	2,55,812	48,50,890
PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE : 13		
OTHER CURRENT ASSETS		
GRANT RELATED RECEIVABLE	2,13,51,200	2,13,51,200
GST ITC	34,40,83,018	42,15,60,796
TDS RECEIVABLE	11,64,27,968	5,48,05,589
SUNDRY DEBTORS	2,87,38,61,593	14,24,399
ELCOT	82,56,985	45,14,819
FD INTEREST INCOME RECEIVABLE	9,76,224	90,75,218
PREPAID EXPENSES	21,911	-
Total	3,36,49,78,899	51,27,32,021



PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE : 14		
REVENUE FROM OPERATIONS		
(a) SALE OF SERVICES		
Total	-	-
PARTICULARS		
NOTE : 15	AS AT 31-03-2024	AS AT 31-03-2023
OTHER INCOME		
Others		
AE & EC GRANT UTILISED	23,27,49,204	14,46,97,694
FIXED DEPOSIT INTEREST	15,66,004	9,32,337
Interest on income tax refund	4,62,274	-
LIABILITY NO LONGER REQUIRED	5,062	20,60,918
Reimbursement of Man power Charges	7,04,771	8,42,679
Total	23,54,87,315	14,85,33,628
PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE : 16		
EMPLOYEES REMUNERATION AND BENEFITS		
SALARIES AND BONUS	7,07,80,990	4,86,11,778
STAFF WELFARE AND OTHER BENEFITS	5,87,282	2,71,038
Total	7,13,68,272	4,88,82,816
PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE : 17		
FINANCE COST		
BANK CHARGES	13,64,606	2,92,668
Total	13,64,606	2,92,668
PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE : 18		
DEPRECIATION AND AMORTISATION EXPENSES		
DEPRECIATION ON FIXED ASSETS - TANGIBLE ASSETS	11,32,118	15,19,649
- INTANGIBLE ASSETS	3,52,908	-
Total	14,85,026	15,19,649



PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE : 19		
OTHER EXPENSES		
RENT	29,32,766	29,32,764
AUDIT FEES	60,000	1,00,000
INTERNAL AUDIT FEES	2,41,120	3,07,500
POWER & FUEL	23,74,615	6,71,368
REPAIR & MAINTENANCE	6,35,168	2,00,376
TRAVELLING EXPENSES	4,42,508	58,551
MISCELLANEOUS EXPENSES	2,32,103	3,03,376
LEGAL & PROFESSIONAL CHARGES	10,57,25,742	7,90,53,011
MANPOWER CHARGES	3,34,12,290	1,27,90,437
OFFICE EXPENSES	12,72,819	3,53,699
VEHICLE HIRE CHARGES	1,35,37,234	22,54,023
ADVERTISEMENT EXPENSES	51,08,130	15,17,415
BOOKS & PERIODICALS	13,716	15,846
TELEPHONE & INTERNET CHARGES	3,36,938	3,74,731
POSTAGE & COURIER EXPENSES	29,203	60,955
PRINTING & STATIONERY	2,57,960	2,73,636
RATES & TAXES	4,63,891	57,945
WATER CHARGES	-	85,010
LICENSES & FEES	33,000	1,56,500
MEETING EXPENSES	6,46,206	1,69,561
IN ELIGIBLE GST CREDIT	8,64,921	9,14,803
Total	16,86,20,331	10,26,51,506
PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
NOTE : 20		
PRIOR PERIOD ITEMS - EXPENSES:		
Prior Period Salary	26,392	6,01,029
Prior Period - Staff Welfare Expenses	-	16,650
Prior Period - Others	64,93,970	26,117
Prior year Income tax Demand	-	85,468
	65,20,362	7,29,264
PRIOR PERIOD ITEMS - INCOME:		
	-	-
NET PRIOR PERIOD INCOME / (EXPENSE)	(65,20,362)	(7,29,264)
<p>As per our report of even date for P.L. & Associates ,Chartered Accountants., Chartered Accountants FRN: 0061435</p> <p>CA. PRABHA G. (Proprietrix) M. No.: 201707 UDIN: 24201707BKFBYI6508</p> <p>Place: Chennai Date: 13-11-2024</p> <p>For and on behalf of the Board of Directors of TAMIL NADU FIBRENET CORPORATION LIMITED</p> <p>Chairman DIN: 01820616</p> <p>Managing Director DIN: 10453461</p> <p>Company Secretary</p>		



Consolidated

TAMILNADU FIBRENET CORPORATION LIMITED		
CIN NO. U74999TN2018SGC123139		
807, 5th Floor P.T.Lee Chengalvarayan Naicker Building Anna Salai, Chennai-600002		
NOTES TO BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS		
PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
SUBSCHEDULE TO NOTE 6:		
TRADE PAYABLES		
DUE TO OTHERS		
CREDITORS FOR FIXED ASSETS - MSI/SI	3,88,91,69,251	80,75,14,776
CREDITORS - TPA&PMC	4,32,71,753	3,41,60,719
P.T.LEE CHENGALVARAYAN	2,44,397	8,50,501
TN BSNL	-	9,54,210
MANPOWER CHARGES PAYABLE	19,42,725	15,29,888
LAKSHMI TRAVELS	-	4,66,671
TAMILNADU POLICE HOUSE CORPORATION	-	23,11,883
REFRESH ENTERPRISES	4,428	-
EXPENSES PAYABLE	34,17,942	53,622
Total	3,93,80,50,495	84,78,42,269
PARTICULARS	AS AT 31-03-2024	AS AT 31-03-2023
SUBSCHEDULE TO NOTE 7:		
OTHER PAYABLES		
CREDITORS FOR EXPENSES		
RETENTION MONEY - ATHIRA GEO SPATIAL SERVICE P LTD	31,40,133	48,000
RETENTION MONEY - PWC	2,34,950	2,34,950
SALARY AND WAGES PAYABLE	-	3,38,067
Total	33,75,083	6,21,017





TANFINET

TAMIL NADU FIBRENET CORPORATION LIMITED

(A Government of Tamil Nadu Undertaking)

21. Government Grant

Government grant funds are received for the purpose of implementation of Bharat Net Projects in Tamil Nadu as per the Guidelines of Ministry of Communications, Government of India. Grants-in-aid received from the Central and State Governments or other authorities and interest on deposit of such grants which also can be applied only for implementation of the project are carried in the balance sheet pending utilization for or implementation of the project.

I. BharatNet Phase II Project:

As per the payment terms of tripartite MOU executed amongst Universal Service Obligation Fund, Dept. of Telecommunications, Govt. of India, Bharat Broadband Limited (BBNL) and Tamil Nadu Arasu Cable TV Corporation Limited (TACTV), Bharat Broadband Limited shall sanction and release the funds on achievement of milestones specified in the MOU.

TANFINET has parked unutilized BharatNet Phase II Project funds in fixed deposits with nationalized banks and earned interest of Rs. 9,85,76,311/- during the financial year 2023-24. Interest earned on unutilized BharatNet Phase II Project grant is credited to the Grant Corpus Account as per guidelines issued by Finance BPE. Same is disclosed in Schedule No. 5 – Other Long -Term Liabilities to the Financial Statements





TANFINET

TAMIL NADU FIBRENET CORPORATION LIMITED

(A Government of Tamil Nadu Undertaking)

II. BharatNet Last Mile Connectivity (LMC) Project:

The Managing Director, TANFINET has sent a proposal vide Letter No.03/TANFINET/2020, dated 24.06.2022 for “BharatNet Last Mile Connectivity Project” to be implemented with funds from Government of India under Part V of the “Scheme of Special Assistances to States for Capital Investment for 2022-23” for the year 2022-23.

The Government of Tamilnadu vide G.O. (Ms) No.35 dated 28.10.2022 has sanctioned the release of fund of Rs.184/- Crores received from Public Finance-States Division, Department of Expenditure, Ministry of Finance, Government of Tamil Nadu to TANFINET for implementing BharatNet Last Mile Connectivity Project. Accordingly, funds were released to TANFINET amounting to Rs. 184,00,00,000 on 4th November 2022.

Above funds received from The Govt. of Tamil Nadu were parked in fixed deposit with nationalized bank and earned interest amounting to Rs. 7,40,96,540/-. Interest earned on unutilized LMC project grant is credited to the Grant Corpus Account as per guidelines issued by Finance BPE. Same is disclosed in Schedule No. 5 – Other Long - Term Liabilities to the Financial Statements

22. Based on the commissioning certificate & final BOQ of Thiruvaiyaru and Thiruvonam Thanjavur District issued by Third Party Agency – M/s. Broadcast Engineering Consultants India Ltd, TANFINET has capitalized fixed asset amounting to Rs. 6,29,48,265/- & same is adjusted against capex funds sanctioned by the M/s. Bharat Broadband Network Ltd.

23. Loans & Advances

Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

(a) repayable on demand or

(b) without specifying any terms or period of repayment

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
All figures in Rupees.		
Promoters	Nil	Nil
Directors	Nil	Nil



TAMIL NADU FIBRENET CORPORATION LIMITED

(A Government of Tamil Nadu Undertaking)

KMP	Nil	Nil
Related Parties	Nil	Nil

24. Auditors' Remuneration:

Figures in Rupees

Particulars	2023-24	2022-23
Towards - Statutory Audit	60,000	50,000
- Tax Audit	75,000	75,000

25. Commitment and contingencies:

(i) Contingent liabilities (to the extent not provided for):

(a) Claims against the company not acknowledged as debt - Nil

(b) Guarantees - Nil

(c) Other money for which the company is contingently liable - Nil

(ii) Commitments:

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for - Nil

(b) Uncalled liability on shares and other investments partly paid - Nil

(c) Other commitments - Nil

Three litigations were filed against the Company as Writ petitions during FY 2020-21, wherein no monetary benefit were claimed, of which two cases have been disposed off by Honorable High Court of Madras during FY 2021-22.

Subsequently during the month May 2022 the pending litigation was also disposed off. Hence there is "No" Contingent liabilities during the financial year 2023-24.

26. Prior Period Items:

During the financial year 2023-24, TANFINET Corporation has incurred Administrative / Establishment charges and Interest Accrual which are in prior period in nature has been tabulated below

Particulars	Rs.
Prior Period Expenses	65,20,362



TAMIL NADU FIBRENET CORPORATION LIMITED

(A Government of Tamil Nadu Undertaking)

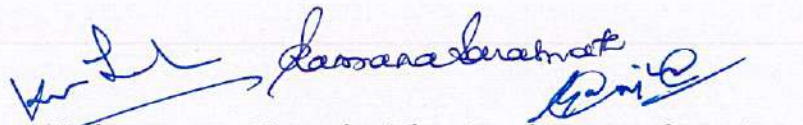
27. GST TDS amount to the tune of Rs. 6,09,002/- paid/credited to specified individuals/entities with whom the Company had no business transactions/connections. Accordingly, it is concluded that, the amount (Rs. 6,09,002/-) has been duly recovered and the necessary amendments have been made in the subsequent GST TDS returns pertaining to FY 24-25. Further, Board of Directors in its 25th meeting held on 27th may 2024 has recommended to constitute inquiry committee to recover the losses to the Corporation and to examine the lapses in the authorization and filing of statutory returns.
28. TANFINET has sent mail to its project implementing agencies for vendor balance confirmation. Few vendors have not confirmed the balances for the financial year 2023-24. Hence, TANFINET has considered balance as per its books of accounts in the financial statements. Further, Few of the Sundry Debtors which are received in advance are subject to confirmation and reconciliation.
29. Previous year's figures were re-grouped and re-classified wherever necessary.

As per our report of even date
for **M/S P.L. & Associates,**
Chartered Accountants
FRN: 006143S

For and on behalf of the Board of Directors of
Tamil Nadu FibreNet Corporation Limited



Prabha.G
Proprietrix
M. No.: 201707
UDIN: 24201707BKFBYI6508


Chairman Managing Director Company Secretary
DIN: 01820616 DIN: 10453461

Place: Chennai
Date: 13-Nov-2024

WDM Method is followed

Note 9

TAMILNADU FIBRENET CORPORATION LIMITED
CIN NO. U74999TN2018SGC123139
807, 5th Floor P. T. Law Chengalvarayan Naicker Building Anna Salei, Chennai-600002
FIXED ASSETS SCHEDULE AS PER COMPANIES ACT 2013

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01.04.2023	Address	Deletion	As at 31.03.2024	Depn (%)	As at 01.04.2023	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Capital Work-In-Progress - Packages - Bharat Nat Phase - II Project	2,39,27,56,941.93	2,39,28,86,776.43	2,48,42,93,428.18	8,20,59,30,746	-	-	-	8,20,59,30,746	2,35,37,56,541
Leasehold Building	50,71,104	9,83,855	-	60,54,959	-	50,71,104	2,98,750	53,69,854	6,85,105
Interiors - Temporary Structures	37,34,056	9,83,855	-	47,17,911	-	37,34,056	2,98,750	40,32,806	4,85,105
Electrical Fittings	13,37,048	-	-	13,37,048	-	13,37,048	-	13,37,048	-
Furniture & Fittings	17,42,640	-	1,20,822	18,63,462	25.85%	10,53,161	1,86,899	12,40,050	6,89,497
Chair & Table	6,03,810	-	-	6,03,810	-	3,70,912	60,488	4,31,400	1,72,210
Safe	79,000	-	-	79,000	-	49,714	7,632	57,346	21,656
Glass door	129,500	-	-	129,500	-	81,493	12,811	94,004	35,496
Work Stations & Partitions	5,50,600	-	74,202	6,24,802	-	3,46,486	60,457	4,06,943	2,37,859
LED Lights	1,27,540	-	-	1,27,540	-	80,299	12,321	92,580	34,960
Mirror	4,000	-	-	4,000	-	3,776	560	4,356	1,644
Draw Mobile Pedestals	1,32,000	-	-	1,32,000	-	83,046	12,752	95,816	36,382
Capboard	1,06,600	-	-	1,06,600	-	33,242	29,075	92,217	54,283
Steel rack	4,781	-	46,620	51,401	-	2,717	517	3,254	48,147
Cash Chest Box	2,817	-	-	2,817	-	1,487	346	1,832	964
Office Equipment	9,12,297	9,60,200	-	19,22,497	45.07%	7,32,882	3,35,093	10,64,956	8,97,541
Air conditioner	4,13,716	-	-	4,13,716	-	3,35,922	26,843	3,82,485	31,031
Stabilizer	42,860	-	-	42,860	-	36,562	2,781	39,645	3,219
Exhaust Fan	450	-	-	450	-	387	30	417	33
Microtek Inverter	1,95,000	-	-	1,95,000	-	1,67,712	12,862	1,80,374	14,624
Refrigerator	9,314	-	-	9,314	-	7,772	666	8,468	846
LED TV	42,210	-	-	42,210	-	34,486	3,549	38,015	4,125
Telephone Instruments	16,700	-	-	16,700	-	14,270	1,322	15,392	1,308
Orient Pedestal Fan	29,200	-	-	29,200	-	23,698	2,855	25,893	3,301
Vacuum Cleaner	12,330	-	-	12,330	-	10,111	1,380	11,491	1,619
Philips Air Purifier	23,750	-	-	23,750	-	17,695	2,768	20,463	3,297
Water Dispenser	21,184	-	-	21,184	-	15,678	2,527	18,205	2,901
Biometric System	19,300	-	-	19,300	-	13,599	2,582	16,181	3,119
Paper Shredder Machine	24,780	-	-	24,780	-	4,406	9,299	13,705	11,075
Speaker Phone USB	87,864	-	-	87,864	-	36,454	32,514	48,968	38,876
Face Recognition System	24,087	-	-	24,087	-	16,454	9,258	17,830	6,257
Wall Clock	-	9,60,200	-	9,60,200	-	-	2,28,205	2,28,205	7,31,995
Motor Vehicles	12,33,901	-	-	12,33,901	31.23%	8,68,379	1,15,139	9,83,518	2,50,381
Renault Duster	12,33,901	-	-	12,33,901	-	8,68,379	1,15,139	9,83,518	2,50,381
Computer & End User devices	39,94,661	3,08,728	14,06,252	57,03,641	63.16%	33,61,130	4,95,007	38,56,137	10,47,504
Computer & Accessories	33,49,276	3,08,728	14,06,252	50,96,254	-	27,86,747	4,36,844	32,03,411	18,54,815
Printer	6,45,385	-	-	6,45,385	-	5,74,383	76,343	6,52,726	7,342
Intangible Assets	-	-	20,40,000	20,40,000	-	-	54,158	54,158	19,85,842
Unifield Portal Development Charges	-	-	20,40,000	20,40,000	-	-	54,158	54,158	19,85,842
	2,30,67,61,152	3,36,01,31,560	2,49,78,54,503	8,22,47,45,214	-	1,10,83,647	14,85,076	1,25,16,673	8,21,21,80,541
									2,35,56,72,506



a) Ratios

The ratios for the financial years ended March 31, 2024 and March 31, 2023 are as follows :

Ratio	Numerator	Denominator	FY 2023-24	FY 2022-23	Variance (in%)
Current ratio (in times)	Total current assets	Total current liabilities	1.65	3.98	(2.33)
Debt-Equity ratio (in times)	Total Debt (consists of borrowings and lease liabilities)	Total equity	-	-	-
Debt service coverage ratio (in times)	Earnings available for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments + Other adjustments like loss on sale of fixed assets etc.	Debt service = Interest and lease payments + Principal repayments	NA	NA	NA
Return on equity ratio (in %)	Net profits after taxes	Average total equity	(2.80)	(7.57)	4.76
Inventory turnover ratio (in times)	Cost of Goods Sold	Average inventory	NA	NA	NA
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	NA	NA	NA
Trade payables turnover ratio (in times)	Net credit purchases	Average trade payables	NA	NA	NA
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	-	-	-
Net profit ratio (in %)	Profit for the year	Revenue from operations	NA	NA	NA
Return on capital employed (in %)	Earnings before interest and taxes	Capital employed = Net worth + Deferred tax liabilities + Lease liabilities	0.11	0.45	(0.34)
Return on investment (in %)	Income generated from invested funds	Average invested funds	0.08	0.11	(0.03)

