

Quadrant Televentures Limited

CIN: L00000MH1946PLC197474

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Corporate Office : B-71, Phase VII, Industrial Area, Mohali (Punjab) - 160055

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Statement of Unaudited Financial Results for the Quarter ended June 30, 2020

Particulars	(Rs. in Lakhs)			
	Quarter ended			Year ended
	30.06.2020	31.03.2020	30.06.2019	31.03.2020
	Unaudited	Audited	Unaudited	Audited
I. Revenue from operations	8,122.56	10,797.49	10,906.65	45,728.01
II. Other income	116.94	186.21	366.03	783.38
III. Total Revenue	8,239.50	10,983.70	11,272.68	46,511.39
IV. Expenses :				
(a) Employee benefit expenses	1,207.12	1,412.21	921.37	3,989.84
(b) Finance costs	2,864.17	2,723.94	2,728.05	10,935.08
(c) Depreciation and amortization expenses	721.64	743.60	787.89	3,096.68
(d) Network operation expenditure	5,308.49	6,530.17	8,841.92	34,802.76
(e) Sales and marketing expenses	716.83	491.11	426.88	2,126.98
(f) Other expenses	703.30	782.36	736.09	2,912.14
Total Expenses	11,521.55	12,683.39	14,442.20	57,863.48
V. Profit/ (loss) before exceptional item and tax	(3,282.05)	(1,699.69)	(3,169.52)	(11,352.09)
VI. Exceptional Items	-	7,548.70	-	6,699.71
VII. Profit/ (loss) before tax	(3,282.05)	5,849.01	(3,169.52)	(4,652.38)
VIII. Tax expense :				
(1) Current tax	-	-	-	-
(2) Deferred tax	-	-	-	-
IX. Profit / (Loss) for the year	(3,282.05)	5,849.01	(3,169.52)	(4,652.38)
X. Other Comprehensive Income (net of taxes)	1.26	(9.54)	(13.90)	(13.01)
XI. Total Comprehensive Income/(loss) for the year	(3,280.79)	5,839.47	(3,183.42)	(4,665.39)
XII. Paid up equity share capital (Face Value of Re. 1/- each)	6,122.60	6,122.60	6,122.60	6,122.60
XIII. Other Equity	-	-	-	(1,92,895.71)
XIV. Earnings per equity share (face value of Re. 1/- each) :				
Basic & Diluted	(0.54)	0.95	(0.52)	(0.76)

Notes:

1. These financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. The above financial results of the Company for the quarter ended June 30, 2020 has been reviewed by the Audit committee and approved by the Board of Directors at their meeting held on 13th August, 2020.

2. Subsequent to the outbreak of Corona Virus (COVID-19) and consequential lock down across the country, the Company has continued to operate and provided telecommunication services to its customers, which has been declared as an essential services, without any disruptions. However, disruption to business worldwide and economic slowdown may have its eventual impact on the Company during lockdown. Considering that it is a dynamic and evolving situation and keeping in view uncertainties associated, the Company has evaluated its liquidity position, recoverability and carrying values of its assets and have concluded that no material adjustments are required at this stage in the financial results.

3. (a) On October 24, 2019, the Hon'ble Supreme Court of India delivered a judgment ('Court Judgment') in relation to a long outstanding industry case upholding the view considered by Department of Telecommunications ('DoT') in respect of the definition of Adjusted Gross Revenue ('AGR') and decided the long pending litigation in DoT's favour. The Hon'ble Supreme Court further in its supplementary order of the same date directed the affected parties to pay the amounts due to DoT within a period of three months which was ended on January 23, 2020. A review petition filed by the other telecom operators against the above Court Judgment was rejected in January 2020. Thereafter, the telecom operators have filed an application for modification before the Hon'ble Supreme Court of India, which is still pending.

In the absence of any potential reliefs from the Government, the Company in this quarterly result has provided for Rs. 12.02 Lakhs (of which principal of Rs. 11.72 Lakhs and interest of Rs. 0.30 Lakhs) as a charge to the statement of profit and loss with respect to the licence fee and spectrum usage charges and in aggregate for Rs. 861.01 Lakhs (of which principal of Rs. 739.05 Lakhs and interest of Rs. 121.96 Lakhs) as self-assessment basis as per instructions of DoT for the year ended March 31, 2020.

In case, DoT assess the revised AGR statements filed by the Company and raise any additional demand, same will be provided in books as and when arise. These provisions have been made without prejudice to the Company's right to contest DoT's demands on facts as well as on rights available in law.

3. (b) TDSAT vide its order dated 12-June-2020 decided the matter of 'License Fee on Pure Internet Services' in favour of the Petitioners, therefore license fee is no longer payable on revenue from pure internet services. Earlier, as per New ISP License Category 'A' - No. 821-125/2014-DS dated 06-01-2015 the Company has made provision for license fee on revenue from pure internet services since January, 2015. As per aforesaid judgement of TDSAT, revenue from pure internet services should not be included for levy of license fees. Hence, said provision of license fee amounting to Rs. 7,560.72 Lakh has been reversed as no liability on account of license fee on revenue from pure internet service accrue to the Company for the year ended March 31, 2020.

4. The Company is in process of reconciliation / adjustments, if any, on its balances of some of the trade payables, other liabilities, advances and security deposits pertaining to erstwhile GSM business. The requisite accounting effect, if any, will be given upon such reconciliation.

5. The primary reporting of the Company has been performed on the basis of business segments. The Company has only one business segment, which is provision of unified telephony services. Accordingly, the amounts appearing in these financial results relate to this primary business segment. Further, the Company provides services only in the State of Punjab (including Chandigarh and Panchkula) and, accordingly, no disclosures are required under secondary segment reporting.

6. The Company has incurred net loss of Rs. 3,280.80 Lakhs during the year and accumulated losses as at June 30, 2020 amounting to Rs. 19,686.22 Lakhs, result into erosion of its net worth, these factors raise doubts about going concern status of the Company. The management is confident of generating cash flows from continue business operations through increasing subscriber' base and ARPU as well as through restructuring of bank loans alongwith the support of other stakeholders. Hence, in view of the above, the financial statements have been prepared on a going concern basis.

7. The figures of the quarter ended March 31, 2020 are the balancing figures between audited figures in respect of full financial year and the published year to date figure upto the third quarter of the respective financial year.

8. The figures of the previous periods have been regrouped/rearranged wherever considered necessary.

By Order of the Board
For QUADRANT TELEVENTURES LIMITED

Dinesh Ashokrao Kadam
Director
(DIN : 08282276)

Place : Aurangabad
Date : 13th August, 2020