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Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of Unitech Limited Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

**To the Board of Directors of
UNITECH LIMITED**

1. Unitech Limited, the holding Company, failed to hold its Annual General Meeting (AGM) due on or before 30th September 2018, pursuant to section 96 of the Companies Act, 2013, to transact the agenda including the approval of Accounts for the year ended 31st March 2018. The Company applied to the Registrar of Companies, NCT of Delhi & Haryana, for extension of period by three months for holding the AGM, but the same was rejected. The said AGM has not yet been held as of date. However, in view of the fact that audit of the holding company had been conducted by us for the financial year 2017-18 and also the report was issued by us on the Accounts duly approved by the Board & signed by the directors as stipulated under the Companies Act, 2013, we had proceeded with the audit engagement of the holding company of the subsequent year i.e. year ended 31st March 2019 taking the opening balances from the audited Balance Sheet of year ended 31st March 2018 duly approved by the Board. Subsequently, in view of the fact that audit of the holding company had been conducted by us for the financial year 2018-19 and also the report was issued by us on the Accounts duly approved by the Board & signed by the directors as stipulated under the Companies Act, 2013, we have proceeded with the audit engagement of the holding company of the subsequent year i.e. year ended 31st March 2020 taking the opening balances from the audited Balance Sheet of year ended 31st March 2019 duly approved by the Board.
2. We were engaged to review the accompanying statement of unaudited consolidated financial results of **Unitech Limited** ("the Company" or "the holding Company") and its subsidiaries (collectively referred to as 'the Group'), and its share of profit/loss after tax and total comprehensive income/loss of its associates and joint ventures, for the quarter ended 30th June 2019, attached herewith ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').



3. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 30th June 2018 and preceding quarter ended 31st March 2019 as reported in these unaudited consolidated financial results have been approved by the Company's Board of Directors, but have not been subjected to review.
4. The preparation of the Statement in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("IND AS 34") prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular, is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
5. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditors of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

We believe that our review provides a reasonable basis for our disclaimer of conclusion on the Statement, on matters mentioned in para 9(a) to 9(i) below.

6. a) The Statement includes the results of the following entities:

Subsidiaries

Abohar Builders Private Limited, Aditya Properties Private Limited, Agmon Projects Private Limited, Akola Properties Limited, Algoa Properties Private Limited, Alice Builders Private Limited, Alkosi Limited, Aller Properties Private Limited, Alor Golf Course Private Limited, Alor Maintenance Private Limited, Alor Projects Private Limited, Alor Recreation Private Limited, Amaro Developers Private Limited, Amarprem Estates Private Limited, Amur Developers Private Limited, Andes Estates Private Limited, Angul Properties Private Limited, Araham Properties Private Limited, Arcadia Build Tech Limited, Arcadia Projects Private Limited, Ardent Build Tech Limited, Askot Builders Private Limited,



Azores Properties Limited, Bageris Limited, Bolemat Limited, Boracim Limited, Broomfield Builders Private Limited, Broomfield Developers Private Limited, Brucosa Limited, Bengal Universal Consultants Private Limited, Bengal Unitech Hospitality Private Limited, Burley Holding Limited, Bengal Unitech Universal Infrastructure Private Limited, Bengal Unitech Universal Siliguri Projects Limited, Bengal Unitech Universal Townscape Limited, Camphor Properties Pvt Ltd, Cape Developers Private Limited, Cardus Projects Private Limited, Chintpurni Constructions Private Limited, Clarence Projects Private Limited, Clover Projects Private Limited, Coleus Developers Private Limited, Colossal Projects Private Limited, Comegenic Limited, Comfrey Developers Private Limited, Cordia Projects Private Limited, Crimson Developers Private Limited, Croton Developers Private Limited, Crowbel Limited, Dantas Properties Private Limited, Deoria Properties Limited, Deoria Realty Private Limited, Devoke Developers Private Limited, Devon Builders Private Limited, Dhaulagiri Builders Private Limited, Dhruva Realty Projects Limited, Dibang Properties Private Limited, Drass Projects Private Limited, Elbe Builders Private Limited, Elbrus Builders Private Limited, Elbrus Developers Private Limited, Elbrus Properties Private Limited, Empecom Corporation British Virgin, Erebus Projects Private Limited, Erica Projects Private Limited, Firisa Holdings Limited, Flores Projects Private Limited, Flores Properties Limited, Girnar Infrastructures Private Limited, Glenmore Builders Private Limited, Global Perspectives Limited, Gramhuge Holdings Limited, Grandeur Real tech Developers Private Limited, Greenwood Projects Private Limited, Gretemia Holdings Limited, Gurgaon Recreations Park Limited, Halley Developers Private Limited, Halley Projects Private Limited, Harsil Builders Private Limited, Harsil Properties Private Limited, Hassan Properties Private Limited, Hatsar Estates Private Limited, Havelock Estates Private Limited, Havelock Investments Limited, Havelock Properties Limited, Havelock Realtors Limited, High strength Projects Private Limited, Impactlan Limited, Insecon Limited, Jalore Properties Private Limited, Jorhat Properties Private Limited, Unitech Infra-con Limited, Kerria Projects Private Limited, Khatu Shyamji Infraventures Private Limited, Khatu Shyamji Infratech Private Limited, Konar Developers Private Limited, Kortel Limited, Landscape Builders Limited, Lavender Developers Private Limited, Lavender Projects Private Limited, Mahoba Builders Limited, Mahoba Schools Limited, Manas Realty Projects Private Limited, Mandarin Developers Private Limited, Madison Builders Private Limited, Mansar Properties Private Limited, Marine Builders Private Limited, Masla Builders Private Limited, Mayurdhwaj Projects Private Limited, Medlar Developers Private Limited, Medwyn Builders Private Limited, Moonstone Projects Private Limited, Moore Builders Private Limited, Munros Projects Private Limited, Nectrus Limited, New India Construction Co. Limited, Nirvana Real Estate Projects Limited, Nuwell Limited, Onega Properties Private Limited, Panchganga Projects Limited, Plassey Builders Private Limited, Primrose Developers Private Limited, Purus Projects Private Limited, Purus Properties Private Limited, Quadrangle Estates Private Limited, Reglinia Holdings Limited, Rhine Infrastructures Private Limited, Rissster Holdings



Limited, Robinia Developers Private Limited, Ruhi Construction Co. Limited, Sabarmati Projects Private Limited, Samay Properties Private Limited, Sandwood Builders & Developers Private Limited, Sangla Properties Private Limited, Sankoo Builders Private Limited, Sanyog Builders Limited, Sanyog Properties Private Limited, Sarnath Realtors Limited, Serveia Holdings Limited, Seyram Limited, Shri Khatu Shyam Ji Infrapromoters Private Limited, Shrishti Buildwell Private Limited, Simpson Estates Private Limited, Somerville Developers Limited, Spanwave Services Limited, Sublime Developers Private Limited, Sublime Properties Private Limited, Supernal Corrugation India Limited, Surfware Consultants Limited, Tabas Estates Private Limited, Technosolid Limited, Transdula Limited, Unitech Acacia Projects Private Limited, Unitech Agra Hi Tech Township Limited, Unitech Alice Projects Private Limited, Unitech Ardent Projects Private Limited, Unitech Builders & Projects Limited, Unitech Build-Con Private Limited, Unitech Builders Limited, Unitech Buildwell Private Limited, Unitech Business Parks Limited, Unitech Capital Private Limited, Unitech Chandra Foundation, Unitech Colossal Projects Private Limited, Unitech Commercial & Residential Projects Private Limited, Unitech Country Club Limited, Unitech Cynara Projects Private Limited, Unitech Developers & Hotels Private Limited, Unitech Hi Tech Builders Private Limited, Unitech High Vision Projects Limited, Unitech Hi Tech Developers Limited, Unitech Holdings Limited, Elixir Hospitality Management Limited, Unitech Hospitality Services Limited, Unitech Hotels Limited, Unitech Hotel Services Private Limited, Unitech Hotels & Projects Limited, Unitech Hotels Private Limited, Unitech Hyderabad Projects Limited, Unitech Hyderabad Township Limited, Unitech Industries Limited, Unitech Industries & Estates Private Limited, Unitech Infopark Limited, Unitech Infra Limited, Unitech Infra- Developers Limited, Unitech Infra-Properties Limited, Unitech Kochi SEZ Limited, Unitech Konar Projects Private Limited, Unitech Manas Projects Private Limited, Unitech Miraj Projects Private Limited, Unitech Nelson Projects Private Limited, Unitech Overseas Limited, Unitech Pioneer Nirvana Recreation Private Limited, Unitech Pioneer Recreation Limited, Unitech Power Transmission Limited, Unitech Property Management Pvt Ltd, Unitech Real Estate Builders Limited, Unitech Real Estate Management Private Limited, Unitech Real Tech Properties Limited, Unitech Realty Builders Private Limited, Unitech Realty Developers Limited, Unitech Realty Private Limited, Unitech Realty Ventures Limited, Unitech Reliable Projects Private Limited, Unitech Residential Resorts Limited, Unitech Samus Projects Private Limited, Unitech Valdel Hotels Private Limited, Unitech Vizag Projects Limited, Uni Homes Private Limited, Unitech Libya for General Contracting and Real Estate Investment, Unitech Global Limited, Unitech Malls Limited, Vectex Limited, Zanskar Builders Private Limited, Zanskar Realtors Private Limited, Zanskar Realty Private Limited, Zimuret Limited

b)The Statement includes the share of profit/loss after tax and total comprehensive income/loss of following entities:



Associates

Greenwood Hospitality Private Limited, Millennium Plaza Limited, Unitech Shivalik Realty Limited, Simpson Unitech Wireless Private Limited.

Joint Ventures

Arihant Unitech Realty Projects Limited, Entertainment City Limited (formerly known as International Recreation Parks Private Limited), MNT Buildcon Private Limited, S.B. Developers Limited, Sarvmangalam Builders & Developers Private Limited, Shivalik Ventures Private Limited, Unitech LG Construction Company Limited (AOP).

7. We did not review interim financial statements/financial results of 6 subsidiaries included in the unaudited consolidated financial results, whose financial results reflect total revenues of Rs. 18,630.33 lacs, total net profit/(loss) after tax of Rs. (2,466.81) lacs, total comprehensive income/(loss) of Rs. (29.00) lacs and total assets of Rs. 274,359.93 lacs for the quarter ended 30th June 2019 as considered in the unaudited consolidated financial results. These interim financial statements/financial results have reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by is as stated in paragraph 5 above.
8. The unaudited consolidated financial results include interim financial statements/financial results of 210 subsidiaries which have not been reviewed/audited by their auditors, whose interim financial statements/financial results reflect total revenue of Rs. 1,310.79 lacs, total net profit/(loss) after tax of Rs. (577.61) lacs, total comprehensive income/(loss) of Rs. NIL and total assets of Rs. 451,763.64 lacs for the quarter ended 30th June 2019 as considered in the unaudited consolidated financial results. These unaudited consolidated financial results also include the group's share of net profit/(loss) after tax of Rs. 54.02 lacs and total comprehensive income/(loss) of Rs. Nil for the quarter ended 30th June 2019 in respect of 2 Joint Ventures, whose interim financial statements/financial results have not been reviewed by us. The group's share of net profit/(loss) after tax and total comprehensive income/(loss) for the quarter ended 30th June 2019 is not available in respect of 4 Associates and 5 Joint Ventures.
9. We draw attention to the following:
- a) The holding Company has received a 'cancellation of lease deed' notice from Greater Noida Industrial Development Authority ("GNIDA") dated 18 November 2015. As per the Notice, GNIDA



has cancelled the lease deed in respect of Residential/Group Housing plots on account of non-implementation of the project and non-payment of various dues amounting to Rs.105,483.26 lacs. As per the notice, and as per the relevant clause of the bye-laws/contractual arrangement with the holding Company, 25% of the total dues amounting to Rs.13,893.42 lacs has been forfeited out of the total amount paid till date. The holding Company has incurred total expenditure of Rs.213,950.89 lacs [comprising of (i) the amounts paid under the contract/bye-laws of Rs.34,221.90 lacs, (ii) the balance portions of the total amounts payable, including contractual interest accrued till 31st March 2016, of Rs.99,091.90 lacs; and (iii) other construction costs amounting to Rs. 80,637.09 lacs]. The holding Company is also carrying a corresponding liability of Rs.99,091.90 lacs representing the total amounts payable to GNIDA including interest accrued and due of Rs.66,692.05 lacs. The said land is also mortgaged and the holding Company has registered such mortgage to a third party on behalf of lender for the Non-Convertible Debenture (NCD) facility extended to the holding Company and, due to default in repayment of these NCDs, the debenture holders have served a notice to the holding Company under section 13(4) of the SARFAESI Act and have also taken notional possession of this land. Further, the holding Company has contractually entered into agreements to sell with 397 buyers and has also received advances from such buyers amounting to Rs.9,158.39 lacs (net of repayment). No contract revenue has been recognized on this project. Management has written a letter to GNIDA dated 1st December 2015, wherein it has stated that the cancellation of the lease deed is wrong, unjust and arbitrary. Further, management has also described steps taken for implementation of the project, valid business reasons due to delays till date. Further, Management had also proposed that in view of the fact that third party interests have been created by the holding Company in the allotted land, by allotting plots to different allottees, in the interest of such allottees, GNIDA may allow the holding Company to retain an area of approximately 25 acres out of the total allotted land of approximately 100 acres and that the amount paid by the holding Company till date may be adjusted against the price of the land of 25 acres and remaining surplus amount may be adjusted towards dues of other projects of the Company under GNIDA. As informed and represented to us, the discussions/ negotiations and the legal recourse process is currently underway and no solution/direction is ascertainable until the date of this report. In view of the materiality of the transaction/circumstances and uncertainties that exist, we are unable to ascertain the overall impact of the eventual outcome of the aforementioned notice/circumstance. Consequently, we are unable to ascertain the impact if any, inter alia, on carrying value of the project under 'projects in progress' and on the unaudited consolidated financial results of the Company.

As per management, the holding Company, GNIDA and the buyers have reached a consensus that the cancellation of lease deed will be revoked; however the same is uncertain as on the date of this report.



GNIDA has, in the meanwhile, in terms of the Order of the Hon'ble Supreme Court dated 18.09.2018, deposited on behalf of the Company, an amount of Rs.7,436.35 lacs (including interest accrued of the customers), out of the monies paid by the Company, with the registry of the Hon'ble Supreme Court. No details or information have been received from GNIDA with regard to the utilization or adjustment or treatment of the said sum vis-à-vis dues of the Company. Pending adjustment of the same, this amount is reflected under Other Current Liabilities.

The impact on the accounts viz. inventory, projects in progress, customer advances, amount payable to or receivable from GNIDA, cannot be ascertained, due to non-availability of details/information from GNIDA with regard to the utilization or adjustment or treatment of the said sum of Rs.7,436.35 lacs, mentioned hereinabove, vis-à-vis dues of the Company, and hence we are unable to express a conclusion on this matter.

We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.

- b). Confirmations/reconciliations are pending in respect of amounts deposited by the Company with the Hon'ble Supreme Court. As per books of account an amount of Rs. 33,615.60 lacs deposited with the Hon'ble Supreme Court Registry ("Registry") is outstanding as at 30th June 2019. Certain transactions have been made from the Registry viz. payments towards refunds given to some of the Company's customers, amounts paid to the Company for meeting construction expenses, and amounts paid to the amicus curiae towards reimbursement of expenses, and the aforesaid sum of Rs. 33,615.60 lacs is net of these transactions. Due to non-availability of any statement of account from the Registry, these transactions have been recorded by the Company in its books of account on the basis of limited information available. The management has stated that it is confident that, upon confirmation/reconciliation, there will not be any material impact on the loss or state of affairs of the Company as 30th June 2019. However, in the absence of detailed statement of transactions and confirmation of balance from the Registry, we are unable to comment on the completeness and correctness of amounts outstanding with the Registry and of the ultimate impact on the unaudited consolidated financial results of the Company, and hence we are unable to express a conclusion on this matter.

We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.

- c). An amount of Rs. 107,246.12 lacs is outstanding as at 30th June 2019 (Previous year ended 31st March 2019 – Rs. 107,631.33 lacs) which is comprised of trade receivables pertaining to sale of land, properties, finished goods, commercial plots/properties of various kinds. Some of these balances amounting to Rs. 18,694.47 lacs as at 30th June 2019 (Previous year ended 31st March



2019 – Rs. 18,600.64 lacs) are outstanding for significantly long periods of time. The management has explained that such long overdue outstandings have arisen in the normal course of business from transactions with customers who have contravened the contractual terms. The management has undertaken a detailed exercise to evaluate the reasons of such long outstandings as well as possibility of recoveries. The management, based on internal assessments and evaluations, possible recoveries from securities (registered or unregistered) have represented that significant portion of such trade receivables outstandings are still recoverable/adjustable and that no accrual for diminution in value of trade receivables is therefore necessary as at 30th June 2019. However, we are unable to ascertain whether all of the long overdue outstanding trade receivables are fully recoverable/adjustable, since the outstanding balances as at 30th June 2019 are outstanding/remained unadjusted for a long period of time. Based on our assessment and review procedures performed, in our opinion, trade receivables amounting to Rs. 18,694.47 lacs are doubtful of recovery and consequently, management ought to provide/accrue for the diminution for these balances. Moreover, the recovery of such trade receivables are dependent on the sale of land held by these debtors and their realize-ability, which, looking at the size of the land held by these debtors, their sale-ability, and uncertainty as to whether such land can be realized at their respective circle rates or more, it is indeterminate as to what extent of further losses can be expected, and hence we are unable to express a conclusion on this matter.

We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.

- d). The holding Company has failed to repay deposits accepted by it including interest thereon in respect of the following deposits:

Particulars	Unpaid matured deposits (Principal amount) as at 31 st March 2019 (Rs. lacs)	Principal paid during the current quarter (Rs. lacs)	Unpaid matured deposits (Principal amount) as at 30 th June 2019 (Rs. lacs)
Deposits that have matured on or before March 31, 2017	53,014.17	8.10	53,006.07

The total unpaid interest as on 30th June 2019 (including interest not provided in the books) amounts to Rs. 37,798.39 lacs.

Further, the holding Company has not provided for interest payable on public deposits which works out to Rs. 1,768.68 lacs for the current period ended 30th June 2019 (Cumulative upto 30th June 2019 – Rs.15,997.54 lacs).

Pursuant to Section 74(2) of the Companies Act, 2013, the holding Company had made an application to the Hon'ble Company Law Board (CLB)(subsequently replaced by the Hon'ble



National Company Law Tribunal, New Delhi) seeking extension of time for repayment of the outstanding public deposits (including interest thereon) as is considered reasonable. The holding Company had also identified and earmarked 6 (six) unencumbered land parcels for sale and utilization of the sale proceeds thereof for repayment of the aforesaid outstanding deposits. However, during the financial year 2016-17, the Hon'ble National Company Law Tribunal, New Delhi (NCLT) vide its order dated 04.07.2016 dismissed the said application. On appeal against the said order, the Hon'ble National Company Law Appellate Tribunal, New Delhi (NCLAT) vide its order dated 03.11.2016 extended the date of repayment of deposits upto 31.12.2016. Subsequently, the said appeal was also disposed off by the Hon'ble NCLAT vide its order dated 31.01.2017 without granting any further extension of time. As explained and represented by management, the Company is making best possible efforts for sale of the land parcels earmarked for repayment of the deposits but such sale process is taking time due to global economic recession and liquidity crisis, particularly, in the real estate sector of India. However, regardless of these adverse circumstances and difficulties, the management has represented that they are committed to repay all the public deposits along with interest thereon. Considering that the management has not been able to comply with the directions given by the Hon'ble CLB, NCLT and NCLAT to repay the deposits within prescribed time-period, the Registrar of Companies, New Delhi has filed prosecution against the holding Company and its executive directors and key managerial personnel before the Ld. Special Court, Dwarka District Court, New Delhi. However, the Hon'ble High Court of Delhi stayed the said prosecution, and has subsequently vide its order dated 22.01.2019, allowed the petitions filed by the holding Company and its executive directors & key managerial personnel by setting aside & vacating the impugned Dwarka District court order dated 20.9.2016 with regard to summoning of the executive directors & key managerial personnel. Few depositors filed an intervention application before the Hon'ble Supreme Court in the pending bail matter of the Managing Directors of the holding Company. Considering their application, the Hon'ble Supreme Court vide its order dated 30.10.2017 directed an amicus curiae to create a portal where the depositors can provide their requisite information and, accordingly, in compliance with this direction, a portal had been created for the depositors of the Company. Accordingly, the matter relating to delay in repayment to the depositors is presently pending before the Hon'ble Supreme Court. The Hon'ble Supreme Court, out of the proceeds collected into the designated account of its Registry out of sale of land and other properties of Unitech/it's group, has made allocations of amount to be refunded to the public-deposit holders.

Besides, the impact of non-provision of interest payable on public deposits of Rs. 1,768.68 lacs for the quarter ended 30th June on the profit and loss, we are unable to evaluate the ultimate likelihood of penalties/ strictures or further liabilities, if any on the Company. Accordingly, impact, if any, of



the indeterminate liabilities on these unaudited consolidated financial results is currently not ascertainable, and hence we are unable to express a conclusion on this matter.

We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.

- e). Advances amounting to Rs. 53,746.17 lacs (net of provision for doubtful advances) (previous year ended 31st March, 2019 - Rs.57,544.17 lacs (net of provision for doubtful advances)) are outstanding in respect of advances for purchase of land, projects pending commencement, joint ventures and collaborators which, as represented by the management, have been given in the normal course of business to land owning companies, collaborators, projects and for purchase of land. As per information made available to us and explanations given to us Rs. Nil had been recovered / Rs.3,750.00 lacs has been provided for doubtful advances during the current period. The management, based on internal assessments and evaluations, has represented that the balance outstanding advances are still recoverable/adjustable and that no further accrual for diminution of advances is necessary as at 30th June 2019. The management has further represented that, as significant amounts have been recovered/adjusted during the previous financial years and since constructive and sincere efforts are being put in for recovery of the balance advances, it is confident of appropriately adjusting/recovering significant portions of the remaining outstanding balance of such amounts in the foreseeable future. However, we are unable to ascertain whether all the remaining outstanding advances, mentioned above, are fully recoverable/adjustable, since the said outstanding balances are outstanding/remained unadjusted for a long period of time, and further, in our opinion, neither the amounts recovered nor rate of recovery of such long outstanding amounts in the previous years & current period, give an indication that all of the remaining outstanding amounts may be fully recoverable; consequently, we are unable to ascertain whether all of the remaining balances as at 30th June 2019 are fully recoverable. Accordingly, we are unable to ascertain or comment upon the impact, if any, on the loss or on the reserves or on value of asset, that may arise in case any of these remaining advances are subsequently determined to be doubtful of recovery, and hence we are unable to express a conclusion on this matter.

We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.

- f). There have been delays in the payment of dues of non-convertible debentures, term loans & working capital loans (including principal, interest and/or other charges as the case may be) to the lenders of the holding Company and the total of such outstandings amount to Rs.185,876.70 lacs. The lenders have initiated action under the SARFAESI Act to take over the respective properties provided as security to the lenders. The Company has challenged the action of the lenders before



the various forums of Debt Recovery Tribunals(DRT). We are unable to determine the impact of the likely outcome of the said proceedings before the DRT on the properties given as security to the lenders, and the corresponding loans and also unable to evaluate the ultimate likelihood of penalties/ strictures or further liabilities; and hence we are unable to express a conclusion on this matter.

We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.

- g). Claims against company not acknowledged as debt comprising of liquidated damages and other claims by clients/customers and compensation for delayed possession to customers have been estimated by the holding company to be Rs.90,793.85 lacs which is considered as contingent liabilities. Due to non-availability of substantive evidence in support of such claims, we are unable to comment on the correctness or completeness of the amount estimated by the holding company, and hence we are unable to express a conclusion on this matter.

We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.

- h). IL&FS Financial Services Limited (ILFS) had entered into binding understanding in March 2018 for acquisition of various plotted units of land at the group's Uniworld resort at Mohali, Punjab in settlement of outstanding dues of ILFS. The outstanding dues of ILFS of Rs.24,951.22 lacs comprised of principal loan of Rs.24,696.88 lacs and interest accrued of Rs.254.34 lacs as at 31st March 2018. In terms of the aforementioned binding understanding, the Company had, in the financial year ended 31st March 2018, adjusted a sum of Rs.23,307.86 lacs against the outstanding dues by settlement against various plotted units and recognizing sales of Rs.23,307.86 lacs, and consequently the liability of ILFS was reduced to Rs.1,643.36 lacs as at 31st March 2018.

However, in the financial year ended 31st March 2019, the Company, upon obtaining balance confirmation statement from ILFS, which had been provided only as at 31st December 2018, observed that the statement of ILFS reflected an unascertained adjustment of dues of Rs.172.78 lacs, and moreover, ILFS had charged additional interest amounting to Rs.3,630.75 lacs for the period from 1st April 2018 to 31st December 2018. ILFS has not provided any confirmation as at 31st March 2019 or thereafter.

The Company, in the consolidated financial statements, has not reversed the sales (to the extent not recognized by ILFS), which it had adjusted by way of settlement against plotted units of lands in the financial year ended 31st March 2018, since, as informed by the management, it is pursuing



ILFS for specific performance of the aforementioned binding understanding. The Company had also not provided for the interest of Rs.3,630.75 lacs charged by ILFS for the period from 1st April 2018 to 31st December 2018 (had the loan been re-instated in the books of account of the Company). Further, the Company had also not provided for the uncharged interest for the period 1st January 2019 to 31st March 2019 of Rs.1,087.70 lacs; nor has the Company provided for the uncharged interest for the quarter ended 30th June 2019 of Rs.855.99 lacs.

Due to non-availability of statement of account from ILFS upto 30th June 2019, and due to the fact that ILFS has not recorded the aforesaid settlement in its books of account, we are unable to comment on the correctness of outstandings claimed by ILFS and of the inventory of adjusted plotted units, and hence we are unable to express a conclusion on this matter.

We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.

10. We draw attention to the following other matters:

- a). The Hon'ble Supreme Court had vide its Order dated 08.09.2017 appointed an *amicus curiae* with directions to create a web portal where the home buyers could indicate their option of (i) refund of money they have paid to the Company/companies in the group, for purchasing residential units, or (ii) possession of house. As at the year ending 30th June 2019, there are 4,206 home buyers who have given advance aggregating to Rs 159,592 lacs and who have opted for refund. The Hon'ble Supreme Court has started the process of giving refunds out of the amounts deposited by the Company with the court's registry and has ordered to issue partial refunds to those customers who have obtained a decree for refund from any judicial forum; the number of such customers are 1198 and their advances correspond to Rs. 49,524 lacs.

The management has represented that the Company, out of abundant caution, has not included the inventory of these home buyers as unsold inventory and, till the final settlement of customers claims who have opted for refund, shall continue to show their corresponding advances as a current liability under 'Advance received from Customers'.

- b). No adjustment has been considered necessary for recoverability of investment in share capital/projects aggregating to Rs.2,817.16 lacs (Previous year ended 31st March, 2019 - Rs.2,814.39 lacs) as the matters are still sub-judice and the impact, if any is unascertainable at this stage.



- c). The holding Company had received an arbitral award dated 6th July 2012 passed by the London Court of International Arbitration (LCIA) wherein the arbitration tribunal has directed the holding Company to invest USD 298,382,949.34 (Previous year ended 31st March 2019- USD 298,382,949.34) equivalent to Rs.205,376.98 lacs (Previous year ended 31st March 2019 - Rs.206,839.06 lacs) in Kerrush Investments Ltd (Mauritius). The High Court of Justice, Queen's Bench Division, Commercial Court London had confirmed the said award.

Further, consequent to the order passed by the Hon'ble High Court of Delhi in the case instant, the company is required to make the aforesaid investment into Kerrush Investments Ltd. (Mauritius). The company believes that, subsequently, its economic interest in the SRA project in Santacruz Mumbai shall stand increased proportionately thereby creating a substantial asset for the company with an immense development potential.

Based on the information obtained and review procedures performed, we are unable to assess whether the underlying SRA project in Santacruz, Mumbai would be substantial to justify the carrying value of these potential investments.

- d). Confirmations/reconciliations are pending in respect of balances of certain loans and borrowings, bank balances (including fixed deposit balances), trade receivables, trade and other payables, loans and advances. The management is confident that, upon confirmation/reconciliation, there will not be any material impact on the state of affairs of the Company as 30th June 2019.
- e). The internal auditors appointed by the Company had resigned during the current financial year. Internal audit reports were not made available to us for the period.

11. Material Uncertainty Related to Going Concern

The management has represented that these financial results have been prepared on a going concern basis, notwithstanding the fact that, the holding Company has incurred losses, defaulted in repayment of principal and interest to its lenders, lenders have classified the holding Company's borrowings as NPA, some of the lenders have called back loans, the holding Company has defaulted in repayment to debentures, public deposits, and interest thereon, the Company has defaulted in payments of statutory liabilities, various litigation matters are pending before different forums, various projects of the Company have stalled/slowed down. These conditions indicate the existence of material uncertainty that may cast significant doubt about Company's

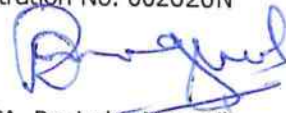


ability to continue as a going concern. The appropriateness of assumption of going concern is critically dependent upon the Company's ability to raise finance and generate cash flows in future to meet its obligations.

12. *Because of the substantive nature and significance of the matters described in paragraph 9(a) to 9(h) above, we have not been able to obtain sufficient appropriate evidence to provide a basis for expressing a conclusion as to whether these unaudited consolidated financial results, which include the results of the subsidiaries mentioned in paragraph 6(a) above and share of profit/loss after tax and total comprehensive income/loss of the associates & joint ventures mentioned in paragraph 6(b) above,*
- (i) are presented in accordance with the requirements of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended; and*
 - (ii) give a true and fair view of the consolidated net loss, consolidated comprehensive income and other financial information for the quarter ended 30th June 2019.*

For R. Nagpal Associates
Chartered Accountants
Firm Registration No. 002626N




(CA. Ravinder Nagpal)
Partner
Membership No. 081594

Place: Gurugram
Date: 14-09-2019

UDIN 19081594 AAAAGF7898

UNITECH LIMITED

CIN: L74899DL1971PLC009720

Regd. Office: 6, Community Centre, Saket, New Delhi 110017

Statement of Consolidated Results for Quarter Ended June 30, 2019

(Rs. in Lakh except EPS)

Sl. No.	Particulars	Quarter Ended			Year Ended
		30.06.2019 (Unaudited)	31.03.2019 (Unaudited)	30.06.2018 (Unaudited)	31.03.2019 (Audited)
1.	Revenue from Operations				
	(a) Revenue from Operations	23,599.41	61,895.81	17,255.91	111,586.69
	(b) Other Operating Income	5,239.22	2,319.05	4,609.74	22,160.14
	Total Revenue from Operations	28,838.63	64,214.86	21,865.65	133,746.83
2.	Expenses				
	(a) Cost of Material Consumed	6,468.71	9,763.80	4,669.48	16,382.32
	(b) Real Estate, Construction and Other Expenses	14,870.59	49,161.02	10,877.48	102,203.45
	(c) Changes in Inventories of finished properties, land, land development right and work in progress	(517.28)	2,278.48	(971.47)	751.00
	(d) Employee Benefits Expense	2,144.68	2,287.26	2,293.43	9,130.11
	(e) Depreciation and Amortisation Expense	162.17	128.04	193.52	907.75
	(f) Other expenses	7,063.77	15,443.25	4,266.43	25,184.24
	Total Expenses	30,192.64	79,061.85	21,328.87	154,558.87
3.	Profit/(Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	(1,354.01)	(14,846.99)	536.78	(20,812.04)
4.	Other Income	2,878.78	2,583.89	304.77	3,357.22
5.	Profit/(Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+/-4)	1,524.77	(12,263.10)	841.55	(17,454.82)
6.	Finance Costs	12,476.96	24,957.94	10,289.10	58,423.64
7.	Profit/(Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5+/-6)	(10,952.19)	(37,221.04)	(9,447.55)	(75,878.46)
8.	Exceptional items	-	(7,496.10)	-	(7,496.10)
9.	Profit/(Loss) from Ordinary activities before Tax (7+/-8)	(10,952.19)	(44,717.14)	(9,447.55)	(83,374.56)
10.	Tax Expense				
	(a) Current Tax				
	Current Year	256.84	239.15	416.63	842.50
	Less : MAT credit entitlement	-	-	-	-
	Earlier year Tax Reversal	0.05	439.67	-	468.84
	(b) Deferred Tax	(58.10)	(5,417.79)	11.54	(5,401.03)
11.	Net Profit/(Loss) from Ordinary activities after Tax (9+/-10)	(11,150.98)	(39,978.17)	(9,875.72)	(79,284.87)
12.	Extraordinary items (Net of Tax Expense)	-	-	-	-
13.	Net Profit/(Loss) for the period (11+/-12)	(11,150.98)	(39,978.17)	(9,875.72)	(79,284.87)
14.	Share of Profit/ (Loss) of associates	54.02	(71.02)	6.62	(64.41)
15.	Minority interest	(120.66)	520.81	654.51	265.77
16.	Net Profit/(Loss) after Taxes, Minority interest and share of Profit / (Loss) of associates (13+/-14+/-15)	(11,217.62)	(39,528.38)	(9,214.59)	(79,083.51)
17.	Profit/(Loss) from continuing operation (before tax)	(11,350.66)	(44,929.53)	(9,102.57)	(84,665.90)
18.	Tax Expenses of continuing operations	80.99	(4,985.67)	340.23	(4,645.40)
19.	Profit/(Loss) from continuing operations after tax (17+/-18)	(11,431.65)	(39,943.86)	(9,442.80)	(80,020.50)
20.	Profit/(Loss) from discontinued operation (before tax)	331.84	662.18	316.15	1,492.70
21.	Tax Expenses of discontinued operations	117.81	246.70	87.94	555.71
22.	Profit/(Loss) from discontinued operations after tax (20+/-21)	214.03	415.48	228.21	936.99
23.	Profit / (Loss) for the period (19+22)	(11,217.62)	(39,528.38)	(9,214.59)	(79,083.51)
24.	Other Comprehensive Income (net of tax)	17.96	(13.67)	(13.50)	(4,790.77)
25.	Total Comprehensive Income (23+/-24)	(11,199.66)	(39,542.05)	(9,228.09)	(83,874.28)
26.	Paid-up equity share capital (Face Value - Rs.2/- per share)	52,326.02	52,326.02	52,326.02	52,326.02
27.	Other Equity excluding Revaluation Reserves				586,665.70
28.	Earnings per Equity Share for continuing operations (of Rs.2/- each)				
	Basic and Diluted (Rs.) *(Not Annualised)	(0.45)*	(1.53)*	(0.39)*	(3.06)
	Earnings per Equity Share for discontinued operations (of Rs.2/- each)				
	Basic and Diluted (Rs.) *(Not Annualised)	0.01*	0.02*	0.01*	0.04
	Earnings per Equity Share for continuing & discontinued operations (of Rs.2/- each)				
	Basic and Diluted (Rs.) *(Not Annualised)	(0.44)*	(1.51)*	(0.38)*	(3.02)



04

Unitech Limited
CIN: L74899DL1971PLC009720
Regd. Office: 6, Community Centre, Saket, New Delhi 110017

Consolidated Segment-wise Revenue, Results and Capital Employed for the Quarter Ended June 30, 2019

Sl. No.	Particulars	Quarter Ended			(Rs. in Lakh)
		30.06.2019	31.03.2019	30.06.2018	Year Ended
		(Unaudited)	(Unaudited)	(Unaudited)	31.03.2019 Audited
1.	Segment Revenue				
	(a) Real Estate and Related Activities	12,797.69	41,284.30	10,429.24	63,357.94
	(b) Transmission Towers	9,448.41	19,361.97	7,188.89	46,755.88
	(c) Property Management	6,095.25	2,870.75	3,693.46	21,137.75
	(d) Hospitality	497.28	697.84	554.06	2,495.26
	(e) Investment & Other Activities	-	-	-	-
	Total	28,838.63	64,214.86	21,865.65	133,746.83
	Less: Inter segment revenue	-	-	-	-
	Net External Revenue	28,838.63	64,214.86	21,865.65	133,746.83
2.	Segment Results				
	(Profit before tax and Finance costs)				
	(a) Real Estate and Related Activities	446.25	(14,842.90)	(590.57)	(23,318.53)
	(b) Transmission Towers	397.67	786.87	449.97	2,130.39
	(c) Property Management	673.95	596.48	794.37	2,677.07
	(d) Hospitality	(128.54)	(33.47)	188.07	(207.99)
	(e) Investment Activities	(0.48)	(146.16)	(0.29)	(130.37)
	(f) Others	-	-	-	-
	(g) Unallocable Income/(Expense)	135.93	1,376.08	-	1,394.61
	Total	1,524.78	(12,263.10)	841.55	(17,454.82)
	Less:				
	(i) Finance Cost	12,476.96	24,957.94	10,289.10	58,423.64
	(ii) Prior Period Adjustment	-	-	-	-
	(iii) Extraordinary Loss	-	7,496.10	-	7,496.10
	Net profit before Tax	(10,952.18)	(44,717.14)	(9,447.55)	(83,374.56)
3.	Segment Assets				
	(a) Real Estate and Related Activities	2,550,972.36	2,578,172.27	2,717,669.84	2,578,172.27
	(b) Transmission Towers	31,156.68	32,211.01	25,821.03	32,211.01
	(c) Property Management	50,229.05	49,760.28	48,877.87	49,760.28
	(d) Hospitality	16,435.25	16,531.96	16,743.44	16,531.96
	(e) Investment Activities	36,777.84	36,783.44	37,077.04	36,783.44
	(f) Others	-	-	-	-
	(g) Unallocable	-	-	-	-
	Total	2,685,571.18	2,713,458.96	2,846,189.22	2,713,458.96
4.	Segment Liabilities				
	(a) Real Estate and Related Activities	1,985,666.68	1,985,439.58	1,905,330.95	1,985,439.58
	(b) Transmission Towers	21,317.34	42,792.51	16,759.27	42,792.51
	(c) Property Management	43,058.99	26,955.39	41,112.84	26,955.39
	(d) Hospitality	26,941.74	22,422.43	26,849.04	22,422.43
	(e) Investment Activities	3,666.98	3,672.09	3,766.86	3,672.09
	(f) Others	-	-	-	-
	(g) Unallocable	-	-	-	-
	Total	2,080,651.73	2,081,282.00	1,993,818.96	2,081,282.00

P. K. M.



(Signature)

Notes:

I	The above Financial Results (prepared on consolidated basis) have been reviewed by the Audit Committee and approved by the Board of Directors of Unitech Limited at their respective adjourned meetings held on 14 th September 2019 (Originally scheduled on 14 th August 2019).
II	The figures of the last years' quarter are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the financial year.
III	The company is primarily in the business of real estate development and related activities including construction, consultancy and rentals etc. Further most of the business conducted is within the geographical boundaries of India. Accordingly, the company's business activities primarily represent a single business segment and the company's operations in India represent a single geographical segment.
IV	The Company has adopted Indian Accounting Standards ("Ind AS") from April 01, 2016 as prescribed under Section 133 of the Companies Act 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India. Financial results for all the periods presented herein have been prepared in accordance with the recognition and measurement principles as stated therein the application IND AS.
V	The auditors of the Company have informed the Company that the renewing of their "Peer Review Certificate" is under process.
VI	The report of statutory auditors on the consolidated financial statements of Unitech Limited for the financial period ended June 30, 2019, contains qualifications which are being summarized below:- a) The holding Company has received a 'cancellation of lease deed' notice from Greater Noida Industrial Development Authority ("GNIDA") dated 18 November 2015. As per the Notice, GNIDA has cancelled the lease deed in respect of Residential/Group Housing plots on account of non-implementation of the project and non-payment of various dues amounting to Rs.105,483.26 lacs. As per the notice, and as per the relevant clause of the bye-laws/contractual arrangement with the holding Company, 25% of the total dues amounting to Rs.13,893.42 lacs has been forfeited out of the total amount paid till date. The holding Company has incurred total expenditure of Rs.213,950.89 lacs [comprising of (i) the amounts paid under the contract/bye-laws of Rs.34,221.90 lacs, (ii) the balance portions of the total amounts payable, including contractual interest accrued till 31st March 2016, of Rs.99,091.90 lacs; and (iii) other construction costs amounting to Rs. 80,637.09 lacs]. The holding Company is also carrying a corresponding liability of Rs.99,091.90 lacs representing the total amounts payable to GNIDA including interest accrued and due of Rs.66,692.05 lacs. The said land is also mortgaged and the holding Company has registered such mortgage to a third party on behalf of lender for the Non-Convertible Debenture (NCD) facility extended to the holding Company and, due to default in repayment of these NCDs, the debenture holders have served a notice to the holding Company under section 13(4) of the SARFAESI Act and have also taken notional possession of this land. Further, the holding Company has contractually entered into agreements to sell with 397 buyers and has also received advances from such buyers amounting to Rs.9,158.39 lacs (net of repayment). No contract revenue has been recognized on this project. Management has written a letter to GNIDA dated 1st December 2015, wherein it has stated that the cancellation of the lease deed is wrong, unjust and arbitrary. Further, management has also described steps taken for implementation of the project, valid business reasons due to delays till date. Further, Management had also proposed that in view of the fact that third party interests have been created by the holding Company in the allotted land, by allotting plots to different allottees, in the interest of such allottees, GNIDA may allow the holding Company to retain an area of approximately 25 acres out of the total allotted land of approximately 100 acres and that the amount paid by the holding Company till date may be adjusted against the price of the land of 25 acres and remaining surplus amount may be adjusted towards dues of other projects of the Company



	<p>under GNIDA. As informed and represented to us, the discussions/ negotiations and the legal recourse process is currently underway and no solution/direction is ascertainable until the date of this report. In view of the materiality of the transaction/circumstances and uncertainties that exist, we are unable to ascertain the overall impact of the eventual outcome of the aforementioned notice/circumstance. Consequently, we are unable to ascertain the impact if any, inter alia, on carrying value of the project under 'projects in progress' and on the consolidated financial results of the Company.</p> <p>As per management, the holding Company, GNIDA and the buyers have reached a consensus that the cancellation of lease deed will be revoked; however the same is uncertain as on the date of this report.</p> <p>GNIDA has, in the meanwhile, in terms of the Order of the Hon'ble Supreme Court dated 18.09.2018, deposited on behalf of the Company, an amount of Rs.7,436.35 lacs (including interest accrued of the customers), out of the monies paid by the Company, with the registry of the Hon'ble Supreme Court. No details or information have been received from GNIDA with regard to the utilization or adjustment or treatment of the said sum vis-à-vis dues of the Company. Pending adjustment of the same, this amount is reflected under Other Current Liabilities.</p> <p>The impact on the accounts viz. inventory, projects in progress, customer advances, amount payable to or receivable from GNIDA, cannot be ascertained, due to non-availability of details/information from GNIDA with regard to the utilization or adjustment or treatment of the said sum of Rs.7,436.35 lacs, mentioned hereinabove, vis-à-vis dues of the Company, and hence we are unable to express a conclusion on this matter.</p> <p>We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.</p> <p>The management, in response of the above qualification, states the following:- The Management is reasonably sure that its stand shall be vindicted in the court of law and there shall be no adverse impact as such.</p>
b)	<p>Confirmations/reconciliations are pending in respect of amounts deposited by the Company with the Hon'ble Supreme Court. As per books of account an amount of Rs. 33,615.60 lacs deposited with the Hon'ble Supreme Court Registry ("Registry") is outstanding as at 30th June 2019. Certain transactions have been made from the Registry viz. payments towards refunds given to some of the Company's customers, amounts paid to the Company for meeting construction expenses, and amounts paid to the amicus curiae towards reimbursement of expenses, and the aforesaid sum of Rs. 33,615.60 lacs is net of these transactions. Due to non-availability of any statement of account from the Registry, these transactions have been recorded by the Company in its books of account on the basis of limited information available. The management has stated that it is confident that, upon confirmation/reconciliation, there will not be any material impact on the loss or state of affairs of the Company as 30th June 2019. However, in the absence of detailed statement of transactions and confirmation of balance from the Registry, we are unable to comment on the completeness and correctness of amounts outstanding with the Registry and of the ultimate impact on the consolidated financial results of the Company, and hence we are unable to express a conclusion on this matter.</p> <p>We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.</p> <p>The management, in response of the above qualification, states the following:- It's a matter of reconciliation with the Registry of the Hon'ble Supreme Court. The company is trying to have better information and there shall be no adjustment required in the statement of Profit & Loss.</p>
c)	<p>An amount of Rs. 107,246.12 lacs is outstanding as at 30th June 2019 (Previous year ended 31st March 2019 – Rs. 107,631.33 lacs) which is comprised of trade receivables pertaining to sale of land, properties, finished goods, commercial plots/properties of various kinds. Some of these balances amounting to Rs. 18,694.47 lacs as at 30th June 2019 (Previous year ended</p>



31st March 2019 – Rs. 18,600.64 lacs) are outstanding for significantly long periods of time. The management has explained that such long overdue outstandings have arisen in the normal course of business from transactions with customers who have contravened the contractual terms. The management has undertaken a detailed exercise to evaluate the reasons of such long outstandings as well as possibility of recoveries. The management, based on internal assessments and evaluations, possible recoveries from securities (registered or unregistered) have represented that significant portion of such trade receivables outstandings are still recoverable/adjustable and that no accrual for diminution in value of trade receivables is therefore necessary as at 30th June 2019. However, we are unable to ascertain whether all of the long overdue outstanding trade receivables are fully recoverable/adjustable, since the outstanding balances as at 30th June 2019 are outstanding/remained unadjusted for a long period of time. Based on our assessment and review procedures performed, in our opinion, trade receivables amounting to Rs. 18,694.47 lacs are doubtful of recovery and consequently, management ought to provide/accrue for the diminution for these balances. Moreover, the recovery of such trade receivables are dependent on the sale of land held by these debtors and their realize-ability, which, looking at the size of the land held by these debtors, their sale-ability, and uncertainty as to whether such land can be realized at their respective circle rates or more, it is indeterminate as to what extent of further losses can be expected, and hence we are unable to express a conclusion on this matter.

We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.

The management, in response of the above qualification, states the following:-

Management, based on internal assessments and evaluations, possible recoveries from securities (registered or unregistered) have represented that significant portion of such trade receivables balance outstanding are still recoverable/ adjustable and that no accrual for diminution in value of trade receivables is therefore necessary as at 30th June, 2019. They are confident of appropriately adjusting / recovering significant portions of the remaining outstanding balance of such amounts in the foreseeable future.

- d) The holding Company has failed to repay deposits accepted by it including interest thereon in respect of the following deposits:

Particulars	Unpaid matured deposits (Principal amount) as at 31 st March 2019 (Rs. lacs)	Principal paid during the current quarter (Rs. lacs)	Unpaid matured deposits (Principal amount) as at 30 th June 2019 (Rs. lacs)
Deposits that have matured on or before March 31, 2017	53,014.17	8.10	53,006.07

The total unpaid interest as on 30th June 2019 (including interest not provided in the books) amounts to Rs. 37,798.39 lacs.

Further, the holding Company has not provided for interest payable on public deposits which works out to Rs. 1,768.68 lacs for the current period ended 30th June 2019 (Cumulative upto 30th June 2019 – Rs.15,997.54 lacs).

Pursuant to Section 74(2) of the Companies Act, 2013, the holding Company had made an application to the Hon'ble Company Law Board (CLB)(subsequently replaced by the Hon'ble National Company Law Tribunal, New Delhi) seeking extension of time for repayment of the outstanding public deposits (including interest thereon) as is considered reasonable. The holding Company had also identified and earmarked 6 (six) unencumbered land parcels for sale and utilization of the sale proceeds thereof for repayment of the aforesaid outstanding deposits. However, during the financial year 2016-17, the Hon'ble National Company Law



	<p>Tribunal, New Delhi (NCLT) vide its order dated 04.07.2016 dismissed the said application. On appeal against the said order, the Hon'ble National Company Law Appellate Tribunal, New Delhi (NCLAT) vide its order dated 03.11.2016 extended the date of repayment of deposits upto 31.12.2016. Subsequently, the said appeal was also disposed off by the Hon'ble NCLAT vide its order dated 31.01.2017 without granting any further extension of time. As explained and represented by management, the Company is making best possible efforts for sale of the land parcels earmarked for repayment of the deposits but such sale process is taking time due to global economic recession and liquidity crisis, particularly, in the real estate sector of India. However, regardless of these adverse circumstances and difficulties, the management has represented that they are committed to repay all the public deposits along with interest thereon. Considering that the management has not been able to comply with the directions given by the Hon'ble CLB, NCLT and NCLAT to repay the deposits within prescribed time-period, the Registrar of Companies, New Delhi has filed prosecution against the holding Company and its executive directors and key managerial personnel before the Id. Special Court, Dwarka District Court, New Delhi. However, the Hon'ble High Court of Delhi stayed the said prosecution, and has subsequently vide its order dated 22.01.2019, allowed the petitions filed by the holding Company and its executive directors & key managerial personnel by setting aside & vacating the impugned Dwarka District court order dated 20.9.2016 with regard to summoning of the executive directors & key managerial personnel. Few depositors filed an intervention application before the Hon'ble Supreme Court in the pending bail matter of the Managing Directors of the holding Company. Considering their application, the Hon'ble Supreme Court vide its order dated 30.10.2017 directed an amicus curiae to create a portal where the depositors can provide their requisite information and, accordingly, in compliance with this direction, a portal had been created for the depositors of the Company. Accordingly, the matter relating to delay in repayment to the depositors is presently pending before the Hon'ble Supreme Court. The Hon'ble Supreme Court, out of the proceeds collected into the designated account of its Registry out of sale of land and other properties of Unitech/it's group, has made allocations of amount to be refunded to the public-deposit holders.</p> <p>Besides, the impact of non-provision of interest payable on public deposits of Rs. 1,768.68 lacs for the quarter ended 30th June on the profit and loss, we are unable to evaluate the ultimate likelihood of penalties/ strictures or further liabilities, if any on the Company. Accordingly, impact, if any, of the indeterminate liabilities on these consolidated financial results is currently not ascertainable, and hence we are unable to express a conclusion on this matter. We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.</p> <p>The management, in response of the above qualification, states the following:- The Term Deposits are due to be paid but due to liquidity situation could not be paid. The Company is trying its best to align resource/earmark dedicated properties so that the term deposit holders can be paid. The matter is also seized of the Hon'ble Supreme Court & Hon'ble Delhi High Court and the management expects no other cost other than the stated ones</p>
e)	<p>Advances amounting to Rs. 53,746.17 lacs (net of provision for doubtful advances) (previous year ended 31st March, 2019 - Rs.57,544.17 lacs(net of provision for doubtful advances)) are outstanding in respect of advances for purchase of land, projects pending commencement, joint ventures and collaborators which, as represented by the management, have been given in the normal course of business to land owning companies, collaborators, projects and for purchase of land. As per information made available to us and explanations given to us Rs. Nil had been recovered / Rs.3,750.00 lacs has been provided for doubtful advances during the current period. The management, based on internal assessments and evaluations, has represented that the balance outstanding advances are still recoverable/adjustable and that no further accrual for diminution of advances is necessary as at 30th June 2019. The management has further represented that, as significant amounts have been recovered/adjusted during the previous financial years and since constructive and sincere efforts are being put in for recovery of the balance advances, it is confident of appropriately</p>



	<p>adjusting/recovering significant portions of the remaining outstanding balance of such amounts in the foreseeable future. However, we are unable to ascertain whether all the remaining outstanding advances, mentioned above, are fully recoverable/adjustable, since the said outstanding balances are outstanding/remained unadjusted for a long period of time, and further, in our opinion, neither the amounts recovered nor rate of recovery of such long outstanding amounts in the previous years & current period, give an indication that all of the remaining outstanding amounts may be fully recoverable; consequently, we are unable to ascertain whether all of the remaining balances as at 30th June 2019 are fully recoverable. Accordingly, we are unable to ascertain or comment upon the impact, if any, on the loss or on the reserves or on value of asset, that may arise in case any of these remaining advances are subsequently determined to be doubtful of recovery, and hence we are unable to express a conclusion on this matter.</p> <p>We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.</p> <p>The management, in response of the above qualification, states the following:- Advances for the purchase of land, projects pending commencement and to joint ventures and collaborators have been given in the normal course of business to land owning companies, collaborators, projects and for purchase of land. The management of the company based on the internal assessment and evaluations considers that these advances, which are in the normal course of business are recoverable/adjustable and that no provision other than those already accounted for is necessary at this stage. The management is confident of recovering/ appropriately adjusting the balance in due course.</p>
f)	<p>There have been delays in the payment of dues of non-convertible debentures, term loans & working capital loans (including principal, interest and/or other charges as the case may be) to the lenders of the holding Company and the total of such outstandings amount to Rs.185,876.70 lacs. The lenders have initiated action under the SARFAESI Act to take over the respective properties provided as security to the lenders. The Company has challenged the action of the lenders before the various forums of Debt Recovery Tribunals(DRT). We are unable to determine the impact of the likely outcome of the said proceedings before the DRT on the properties given as security to the lenders, and the corresponding loans and also unable to evaluate the ultimate likelihood of penalties/ strictures or further liabilities; and hence we are unable to express a conclusion on this matter.</p> <p>We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.</p> <p>The management, in response of the above qualification, states the following:- The amount as stated has already been provided in the books of accounts and payment/recovery of dues by the lenders shall not affect the statement of Profit & Loss</p>
g)	<p>Claims against company not acknowledged as debt comprising of liquidated damages and other claims by clients/customers and compensation for delayed possession to customers have been estimated by the holding company to be Rs.90,793.85 lacs which is considered as contingent liabilities. Due to non-availability of substantive evidence in support of such claims, we are unable to comment on the correctness or completeness of the amount estimated by the holding company, and hence we are unable to express a conclusion on this matter.</p> <p>We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.</p> <p>The management, in response of the above qualification, states the following:- The amount has already been included in the contingent liability and final outcome, if any, can only be ascertained only on the completion of the project</p>
h)	<p>IL&FS Financial Services Limited (ILFS) had entered into binding understanding in March 2018 for acquisition of various plotted units of land at the group's Uniworld resort at Mohali, Punjab in settlement of outstanding dues of ILFS. The outstanding dues of ILFS of Rs.24,951.22 lacs comprised of principal loan of Rs.24,696.88 lacs and interest accrued of Rs.254.34 lacs as</p>



	<p>at 31st March 2018. In terms of the aforementioned binding understanding, the Company had, in the financial year ended 31st March 2018, adjusted a sum of Rs.23,307.86 lacs against the outstanding dues by settlement against various plotted units and recognizing sales of Rs.23,307.86 lacs, and consequently the liability of ILFS was reduced to Rs.1,643.36 lacs as at 31st March 2018.</p> <p>However, in the financial year ended 31st March 2019, the Company, upon obtaining balance confirmation statement from ILFS, which had been provided only as at 31st December 2018, observed that the statement of ILFS reflected an unascertained adjustment of dues of Rs.172.78 lacs, and moreover, ILFS had charged additional interest amounting to Rs.3,630.75 lacs for the period from 1st April 2018 to 31st December 2018. ILFS has not provided any confirmation as at 31st March 2019 or thereafter.</p> <p>The Company, in the consolidated financial statements, has not reversed the sales (to the extent not recognized by ILFS), which it had adjusted by way of settlement against plotted units of lands in the financial year ended 31st March 2018, since, as informed by the management, it is pursuing ILFS for specific performance of the aforementioned binding understanding. The Company had also not provided for the interest of Rs.3,630.75 lacs charged by ILFS for the period from 1st April 2018 to 31st December 2018 (had the loan been re-instated in the books of account of the Company). Further, the Company had also not provided for the uncharged interest for the period 1st January 2019 to 31st March 2019 of Rs.1,087.70 lacs; nor has the Company provided for the uncharged interest for the quarter ended 30th June 2019 of Rs.855.99 lacs.</p> <p>Due to non-availability of statement of account from ILFS upto 30th June 2019, and due to the fact that ILFS has not recorded the aforesaid settlement in its books of account, we are unable to comment on the correctness of outstandings claimed by ILFS and of the inventory of adjusted plotted units, and hence we are unable to express a conclusion on this matter. We had given a disclaimer of opinion on the consolidated financial statements for the year ended 31st March, 2019 in respect of this matter.</p> <p>The management, in response of the above qualification, states the following:- The Company has entered into binding undertaking and thus the loan was adjusted in the FY 17-18. The Company shall ask IL&FS for specific performance and thus reversal of sale or booking of interest is not required.</p>
VII	The figures of previous year have been re-grouped/re-arranged wherever considered necessary for the purpose of comparison.

Place: Gurugram
Dated: September 14, 2019



For Unitech Limited

Ramesh Chandra

Ramesh Chandra
Chairman

(Signature)