R. NAGPAL ASSOCIATES
CHARTERED ACCOUNTANTS

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Independent Auditor's Report on the Consolidated Year to Date Financial Results of **Unitech Limited** pursuant to Regulations 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To the Board of Directors of
UNITECH LIMITED

1. ***Unitech Limited,*** *theholding 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 have we have 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 duly approved by the Board.*

2. We were engaged to audit the accompanying statement of consolidated financial results ("the Statements") of **Unitech Limited** ("the Company") and subsidiaries (collectively referred to as 'the Group'), associates and jointly controlled entities for the year from 1st April 2018 to 31st March 2019, attached herewith ("the Statement"), being submitted by the Company pursuant to the requirement of Regulations 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. ThisStatement which has been prepared from the related consolidated annual financial statements for the year ended 31st March 2019, and approved by the Board of Directors, is the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down under applicable

Accounting Standards mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our disclaimer of opinion on the Statement, on matters mentioned in para 5(a) to 5(h) below.

4. These consolidated year to date results include the financial statements of 217 subsidiariesand 1 foreign branch, of which all are unaudited as of date (whose financial statements/financial information reflect total assets of Rs.1797513.48lacs, and total revenue of Rs.84704.98 lacs, for the year ended 31st March 2019) and share of profit/loss of 14 joint ventures and 4 associates.The management reports of the financial statements/financial information of these subsidiaries/foreign branch have been furnished to us, and our opinion on the year to date results, to the extent they have been derived from such financial statements/financial information, is based solely on the management reports.

5. 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.105483.26 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.13893.42 lacs has been forfeited out of the total amount paid till date. The holding Company has incurred total expenditure of Rs.213925.39 lacs [comprising of (i) the amounts paid under the contract/bye-laws of Rs.34221.90 lacs, (ii) the balance portions of the total amounts payable, including contractual interest accrued till 31st March 2016, of Rs.99091.90 lacs; and (iii) other construction costs amounting to Rs.80611.59 lacs]. The holding Company is also carrying a corresponding liability of Rs. Rs.99091.90 lacs representing the total amounts payable to GNIDA including interest accrued and due of Rs.66692.05 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.9158.39 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 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.7436.35 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 in the consolidated financial statements 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.7436.35 lacs, mentioned hereinabove, vis-à-vis dues of the Company, and hence we are unable to express an opinion on this matter.

Our opinion on the consolidated financial statements for the year ended 31st March, 2018 was qualified 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.31596.72 lacs deposited with the Hon'ble Supreme Court Registry ("Registry") is outstanding as at 31st March 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.31596.72 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 31st March 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 statements of the Company, and hence we are unable to express an opinion on this matter.

c). An amount of Rs.107631.33 lacs is outstanding as at 31st March 2019 (Previous year ended 31st March 2018 – Rs.111,918.56 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.18600.64 lacs as at 31st March 2019 (Previous year ended 31st March 2018 – Rs.18572.28 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 31st March 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 31st March 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.18600.64 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 an opinion on this matter.

Our opinion on the consolidated financial statements for the year ended 31st March, 2018 was qualified 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 31st March 2018 (Rs. lacs)	Principal paid during the current quarter (Rs. lacs)	Principal paid during the current year (Rs. lacs)	Unpaid matured deposits (Principal amount) as at 31st March 2019 (Rs. lacs)
Deposits that have matured on or before March 31, 2017	53154.33	19.29	140.16	53014.17

The total unpaid interest as on 31st March 2019 (including interest not provided in the books) amounts to Rs.36034.14 lacs.

Further, the Company has not provided for interest payable on public deposits which works out to Rs.7096.83 lacs for the current year ended 31st March 2019 (Previous year ended 31st March 2018 – Rs.7132.03 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.7096.83 lacs 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 an opinion on this matter.

Our opinion on the consolidated financial statements for the year ended 31st March, 2018 was qualified in respect of this matter.

e). Advances amounting to Rs.57544.17 lacs(net of provision for doubtful advances) (previous year ended 31st March, 2018 - Rs.72544.17 lacs) 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.15000.00 lacs has been providedfor doubtful advances during the current year. 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 31st March 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 year, 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 31st March 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 an opinion on this matter.

Our opinion on the consolidated financial statements for the year ended 31st March, 2018 was qualified 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.185876.70 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 an opinion on 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.90793.85 lacswhich is included under contingent liabilities in the consolidated financial statements. Due to non-availability of substantive evidence in support 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 an opinion on 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.24951.22 lacs comprised of principal loan of Rs.24696.88 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.23307.86 lacs against the outstanding dues by settlement against various plotted units and recognizing sales of Rs.23307.86 lacs, and consequently the liability of ILFS was reduced to Rs.1643.36 lacs as at 31st March 2018.

However, in the current financial year, the Company, upon obtaining balance confirmation statement from ILFS, which has 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 has charged additional interest amounting to Rs.3630.75 lacs for the current period from 1st April 2018 to 31st December 2018. ILFS has not provided any confirmation as at 31st March 2019.

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 has also not provided for the interest of Rs.3630.75 lacs charged by ILFS for the current period from 1st April 2018 to 31st December 2018 (had the loan been re-instated in the books of account of the Company), nor has it provided for the uncharged interest for the period 1st January 2019 to 31st March 2019 which works out to approximately Rs.1087.70 lacs, together aggregating to approximately Rs.4718.45 lacs.

Due to non-availability of statement of account from ILFS upto 31st March 2019, and due to the fact that ILFS has not recorded the aforesaid settlement in it 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 an opinion on this matter.

6. 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 31st March 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. 49524 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. 2814.39 lacs (Previous year ended 31st March, 2018 Rs. 2,791.23 lacs) as the matters are still sub-judice and the impact, if any is unascertainable at this stage.

b). 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 USD 298,382,949.34) equivalent to Rs.206839.06 lacs (Previous year Rs.194068.27 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.

R. Nagpal Associates New Delhi Chartered Accountants

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.

c). Confirmations/reconciliations are pending in respect of balances of certain loans and borrowings, certain 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 31st March 2019.

d). The internal auditors appointed by the Company had resigned subsequent to end of the financial year 2018-19. Internal audit reports were not made available to us for the year.

7. 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.

8. *Because of the substantive nature and significance of the matters described in paragraph 5(a) to 5(h) above, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion as to whether these consolidated annual financial results, which include* the year to date financial results, read with Paragraph 4 above, of the following entities -

Unitech Limited, 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, Arahan 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, Insecond 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, Risster 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

(i) have been presented in accordance with the requirements of Regulations 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and

(iii) give a true and fair view of the consolidated net loss, consolidated comprehensive incomeand other financial information for the consolidated year to date results for the period from 1st April 2018 to 31st March 2019.

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

R. Nagpal Associates * Chartered Accountants * New Delhi

(CA. Ravinder Nagpal)
Partner
Membership No. 081594

UDIN: 19081594AAAADW6142

Place:Gurugram
Date:19-07-2019

UNITECH LIMITED

CIN: L74899DL1971PLC009720

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

Statement of Consolidated Results for the Year Ended March 31, 2019

(Rs. in Lakh except EPS)

Sl. No.	Particulars	31.03.2019 Audited	31.03.2018 Audited
I	Revenue from Operation	133,746.83	191,398.00
II	Other Income	3,357.22	4,734.12
III	**Total Income (I+II)**	137,104.05	196,132.12
IV	**Expenses**		
	Cost of Material Consumed	16,382.32	12,007.75
	Purchase of Stock in Trade	-	-
	Real estate, Construction and Other Expenses	102,203.45	122,575.10
	Changes in Inventories of finished properties, land, land development right and work in progress	751.00	16,263.44
	Employee Benefits Expense	9,130.11	10,143.30
	Finance Costs	58,423.64	31,890.60
	Depreciation and Amortisation Expense	907.75	884.56
	Other expenses	25,184.24	35,909.98
	Total Expenses IV	212,982.51	229,674.73
V	**Profit/(Loss) from Operations before Exceptional items and Prior Period Adjustments (III-IV)**	(75,878.46)	(33,542.61)
VI	Exceptional items	7,496.10	98,504.18
VII	**Profit/(Loss) from Ordinary Activities before tax (V+VI)**	(83,374.56)	(132,046.79)
VIII	Tax Expense		
	(a) Current Tax		
	Current Year	842.50	1,406.19
	Less : MAT credit entitlement	-	-
	Earlier year Tax Reversal	468.84	(2,710.85)
	(b) Deferred Tax	(5,401.03)	(140.32)
IX	**Net Profit/(Loss) from Ordinary Activities after tax (VII-VIII)**	(79,284.87)	(130,601.81)
X	Less : Extraordinary items (Net of Tax Expense)	-	-
XI	**Net Profit/(Loss) for the Year (IX-X))**	(79,284.87)	(130,601.81)
XII	Share of Profit/ (Loss) of associates	(64.41)	5.44
XIIII	Minority interest	265.77	4,210.35
XIV	**Net Profit/(Loss) after share of Profit / (Loss) of associates & Minority interest for the Year (XI+XII+XII)**	(79,083.51)	(126,386.02)
XV	Profit/(Loss) from continuing operation (before tax)	(84,665.90)	(129,101.83)
XVI	Tax Expenses of continuing operations	(4,645.40)	(1,893.75)
XVII	**Profit/(Loss) from continuing operations after tax (XV-XVI)**	(80,020.50)	(127,208.08)
XVIII	Profit/(Loss) from discontinued operation (before tax)	1,492.70	1,270.84
XIX	Tax Expenses of discontinued operations	555.71	448.78
XX	**Profit/(Loss) from discontinued operations after tax (XVIII-XIX)**	936.99	822.06
XXI	**Profit / (Loss) for the year after Tax (XVII+XX)**	(79,083.51)	(126,386.02)
XXII	Other Comprehensive Income (net of tax)	(4,790.77)	(2,127.76)
XXIII	**Total Comprehensive Income (XIV+XV)**	(83,874.28)	(128,513.78)
XXIV	Paid-up equity share capital (Face Value - Rs. 2 per share)	52,326.02	52,326.02
XXV	Other Equity excluding Revaluation Reserves	586,665.70	678,536.20
XVIII	**Earnings per Equity Share for continuing operations (of Rs. 2 each)**		
	Basic and Diluted (Rs.)	(3.06)	(4.86)
	Earnings per Equity Share for discontinued operations (of Rs. 2 each)		
	Basic and Diluted (Rs.)	0.04	0.03
	Earnings per Equity Share for continuing & discontinued operations (of Rs. 2 each)		
	Basic and Diluted (Rs.)	(3.02)	(4.83)

UNITECH LIMITED GURGAON

Unitech Limited

CIN: L74899DL1971PLC009720

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

Consolidated Segment-wise Revenue, Results and Capital Employed for the Year Ended March 31, 2019

(Rs. In Lakh)

Sl. No.	Particulars	Year Ended 31.03.2019 Audited	Year Ended 31.03.2018 Audited
1.	**Segment Revenue**		
	(a) Real Estate and Related Activities	63,357.94	138,488.55
	(b) Transmission Towers	46,755.88	38,203.64
	(c) Property Management	21,137.75	12,118.74
	(d) Hospitality	2,495.26	2,587.07
	(e) Investment & Other Activities	-	-
	Total	**133,746.83**	**191,398.00**
	Less: Inter segment revenue	-	(4.22)
	Net External Revenue	**133,746.83**	**191,393.78**
2.	**Segment Results**		
	(Profit before tax and Finance costs)		
	(a) Real Estate and Related Activities	(23,318.53)	(8,414.88)
	(b) Transmission Towers	2,130.39	1,832.64
	(c) Property Management	2,677.07	3,052.38
	(d) Hospitality	(207.99)	(557.02)
	(e) Investment Activities	(130.37)	(0.84)
	(f) Others	-	-
	(g) Unallocable Income/(Expense)	1,394.61	2,435.71
	Total	(17,454.82)	(1,652.01)
	Less:		
	(i) Finance Cost	58,423.64	31,890.60
	(ii) Prior Period Adjustment	-	-
	(iii) Extraordinary Loss	7,496.10	98,504.18
	Net profit before Tax	**(83,374.56)**	**(132,046.79)**
3.	**Segment Assets**		
	(a) Real Estate and Related Activities	2,578,172.27	2,528,389.79
	(b) Transmission Towers	32,211.01	29,691.58
	(c) Property Management	49,760.28	35,496.72
	(d) Hospitality	16,531.96	16,582.74
	(e) Investment Activities	36,783.44	20,061.05
	(f) Others	-	33.50
	(g) Unallocable	-	32,094.38
	Total	**2,713,458.96**	**2,662,349.76**
4.	**Segment Liabilities**		
	(a) Real Estate and Related Activities	1,985,439.58	1,875,127.76
	(b) Transmission Towers	42,792.51	20,732.64
	(c) Property Management	26,955.39	759.52
	(d) Hospitality	22,422.43	29,630.94
	(e) Investment Activities	3,672.09	3,466.78
	(f) Others	-	0.47
	(g) Unallocable	-	2,768.76
	Total	**2,081,282.00**	**1,932,486.87**

UNITECH LIMITED * GURGAON *

Unitech Limited

CIN: L74899DL1971PLC009720

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

Consolidated Statement of Assets & Liabilities

(Rs. in Lakh)

Sr.No.	Particulars	As at March 31, 2019	As at March 31, 2018
A	**ASSETS**		
1	**Non Current assets**		
	Property ,Plant and Equipment	8,680.67	15,929.26
	Capital Work in Progress	18,506.78	18,402.94
	Investment property	-	2,716.69
	Other Intangible Assets	13.02	312.20
	Goodwill	74,144.50	81,640.60
2	**Financial Assets**		
	(i)Investments	200,031.86	201,483.38
	(ii)Loans	5,212.65	4,297.51
	(iii) Others	1,933.05	2,144.67
	Deffered Tax Assets (Net)	36,911.27	29,867.78
	Other non current Assets	218.47	273.99
		345,652.27	**357,069.02**
3	**Current Assets**		
	Inventories	296,679.35	299,320.33
4	**Financial Assets**		
	(i) Investments	27.60	41.97
	(ii) Trade Receivable	107,631.33	111,918.56
	(iii)Cash and Cash equivalents	6,057.33	3,906.66
	(iv) Bank balance other than (iii) above	5,986.40	1,157.75
	(v) Loans	19,076.13	19,932.38
	(vi) others	31,504.70	31,249.40
	Current Tax assets (Net)	15,472.82	7,407.16
	Other Current Assets	1,853,160.02	1,800,654.96
		2,335,595.68	**2,275,589.17**
	NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE	32,211.01	29,691.58
		2,713,458.96	**2,662,349.77**
B	**EQUITY AND LIABILITIES**		
1	**Equity**		
	Equity Share Capital	52,326.02	52,326.02
	Other Equity	571,665.69	669,085.86
		623,991.71	**721,411.88**
	Minority Interest	8,185.25	8,451.01
2	**Non Current Liabilities**		
	Financial Liabilities		
	(i) Borrowing	180,153.35	197,583.44
	(ii) Other Financial Liabilities	1,585.06	5,597.36
	Provisions	1,637.32	1,762.45
	Other non current Liabilities	6,858.12	6,211.34
		190,233.85	**211,154.59**
3	**Current Liabilities**		
	Financial Liabilities		
	(i)Borrowings	45,932.32	121,008.88
	(ii) Trade payables	103,451.09	95,255.12
	(iii) Other Financial Liabilities	835,577.00	603,549.97
	Other Current Liabilities	883,157.37	880,374.35
	Provisions	507.94	411.32
		1,868,625.72	**1,700,599.64**
	LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS IN DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE	22,422.43	20,732.65
	Total	**2,713,458.96**	**2,662,349.77**

UNITECH LIMITED * GURGAON *

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 meetings held on 19th July 2019.
II	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.
III	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 ASs.
IV	The auditors of the Company have informed the Company that the renewing of their "Peer Review Certificate" is under process.
V	The report of statutory auditors on the consolidated financial statements of Unitech Limited for the financial year ended March 31, 2019, contains qualifications which are being summarised 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.105483.26 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.13893.42 lacs has been forfeited out of the total amount paid till date. The holding Company has incurred total expenditure of Rs.213925.39 lacs [comprising of (i) the amounts paid under the contract/bye-laws of Rs.34221.90 lacs, (ii) the balance portions of the total amounts payable, including contractual interest accrued till 31st March 2016, of Rs.99091.90 lacs; and (iii) other construction costs amounting to Rs.80611.59 lacs]. The holding Company is also carrying a corresponding liability of Rs. Rs.99091.90 lacs representing the total amounts payable to GNIDA including interest accrued and due of Rs.66692.05 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.9158.39 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*

UNITECH LIMITED * GURGAON *

	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 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.7436.35 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 in the consolidated financial statements 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.7436.35 lacs, mentioned hereinabove, vis-à-vis dues of the Company, and hence we are unable to express an opinion on this matter.* *Our opinion on the consolidated financial statements for the year ended 31st March, 2018 was qualified in respect of this matter.* 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.
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.31596.72 lacs deposited with the Hon'ble Supreme Court Registry ("Registry") is outstanding as at 31st March 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.31596.72 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 31st March 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 statements of the Company, and hence we are unable to express an opinion on this matter. The management, in response of the above qualification, states the following:-

	It's a matter of reconcilliation with the Registry of the Hon'ble Supreme Court and there shall be no adjustment required in the statement of Profit & Loss.
c)	An amount of Rs.107631.33 lacs is outstanding as at 31st March 2019 (Previous year ended 31st March 2018 – Rs.111,918.56 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.18600.64 lacs as at 31st March 2019 (Previous year ended 31st March 2018 – Rs.18572.28 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 31st March 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 31st March 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.18600.64 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 an opinion on this matter. Our opinion on the consolidated financial statements for the year ended 31st March, 2018 was qualified 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 31st March, 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:

S.No	Particulars	Principal outstanding as at 31st March, 2018 (Rs. lacs)	Principal paid during the current year (Rs lacs) Principal	Unpaid matured deposits (Principal

			paid during the current year (Rs. lacs)	amount) as at 31st March 2019 (Rs lacs)
A)	Deposits that have matured on or before March 31, 2018	53,154.33	19.29 140.16	53014.17

The total unpaid interest as on 31st March 2019 (including interest not provided in the books) amounts to Rs.36034.14 lacs.

Further, the Company has not provided for interest payable on public deposits which works out to Rs.7096.83 lacs for the current year ended 31st March 2019 (Previous year ended 31st March 2018 – Rs.7132.03 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

UNITECH LIMITED GURGAON

	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.7096.83 lacs 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 an opinion on this matter. Our opinion on the consolidated financial statements for the year ended 31st March, 2018 was qualified in respect of this matter. 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 propoerties so that the term desposit holders can be paid. The matter is also siezed of the Hon'ble Supreme Court & Hon'ble Delhi High Court and the management expects no other cost other than the stated ones
e)	Advances amounting to Rs.57544.17 lacs(net of provision for doubtful advances) (previous year ended 31st March, 2018 - Rs.72544.17 lacs) 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.15000.00 lacs has been providedfor doubtful advances during the current year. 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 31st March 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 year, 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 31st March 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 an opinion on this matter.

	Our opinion on the consolidated financial statements for the year ended 31st March, 2018 was qualified in respect of this matter. 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 propoerties so that the term desposit holders can be paid. The matter is also siezed of the Hon'ble Supreme Court & Hon'ble Delhi High Court and the management expects no other cost other than the stated ones
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.185876.70 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 an opinion on this matter.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
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.90793.85 lacs which is included under contingent liabilities in the consolidated financial statements. Due to non-availability of substantive evidence in support 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 an opinion on this matter.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
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.24951.22 lacs comprised of principal loan of Rs.24696.88 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.23307.86 lacs against the outstanding dues by settlement against various plotted units and recognizing sales of Rs.23307.86 lacs, and consequently the liability of ILFS was reduced to Rs.1643.36 lacs as at 31st March 2018. However, in the current financial year, the Company, upon obtaining balance confirmation statement from ILFS, which has 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 has charged additional interest amounting to Rs.3630.75 lacs for the current period from 1st April 2018 to 31st December 2018. ILFS has not provided any confirmation as at 31st March 2019. 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 has also not provided for the interest of Rs.3630.75 lacs charged by ILFS for the current period from 1st April 2018 to 31st December 2018 (had the loan been re-instated in the books of account of the Company), nor has it provided for the uncharged interest for the period 1st January 2019 to 31st March 2019 which works out to approximately Rs.1087.70 lacs, together aggregating to approximately Rs.4718.45 lacs. Due to non-availability of statement of account from ILFS upto 31st March 2019, and due to the fact that ILFS has not recorded the aforesaid settlement in it 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 an opinion on this matter.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.
VI	The figures of previous year have been re-grouped/re-arranged wherever considered necessary for the purpose of comparison.

Place: Gurugram

Dated: July 19, 2019

For **Unitech Limited**

UNITECH LIMITED GURGAON

Ramesh Chandra
Chairman

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Consolidated Financial Results
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019
[*See* Regulation 33 of the SEBI (LODR) Regulations, 2015]

I Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
		Rs. in Lacs	Rs. in Lacs
1	Turnover / Total income	137,104.05	137,104.05
2	Total Expenditure	212,982.51	296,224.15
3	Exceptional items	7,496.10	7,496.10
4	Total tax expenses	(4,089.69)	(4,089.69)
5	Net Profit/(Loss)	(79,284.87)	(162,526.51)
6	Earnings Per Share		
	Basic	(3.02)	(6.21)
	Diluted	(3.02)	(6.21)
7	Total Assets	2,713,458.96	2,694,858.32
8	Total Liabilities	2,081,282.00	2,160,187.06
9	Net Worth	632,176.96	534,671.26
10	Any other financial item(s) (as felt appropriate by the management)		

2 Audit Qualification:-

Matter 1

1 Details of Audit Qualification:-

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.105483.26 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.13893.42 lacs has been forfeited out of the total amount paid till date. The holding Company has incurred total expenditure of Rs.213925.39 lacs [comprising of (i) the amounts paid under the contract/bye-laws of Rs.34221.90 lacs, (ii) the balance portions of the total amounts payable, including contractual interest accrued till 31st March 2016, of Rs.99091.90 lacs; and (iii) other construction costs amounting to Rs.80611.59 lacs]. The holding Company is also carrying a corresponding liability of Rs. Rs.99091.90 lacs representing the total amounts payable to GNIDA including interest accrued and due of Rs.66692.05 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.9158.39 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 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.7436.35 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 in the consolidated financial statements 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.7436.35 lacs, mentioned hereinabove, vis-à-vis dues of the Company, and hence we are unable to express an opinion on this matter.

Our opinion on the consolidated financial statements for the year ended 31st March, 2018 was qualified in respect of this matter.

2 Type of Audit Qualification: Disclaimer of Opinion

3 Frequency of qualification: 1st time Disclaimer Previous year - Qualified

4 For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views

5 For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification:

(ii) If management is unable to estimate the impact, reasons for the same:

The Management is reasonably sure that its stand shall be vindicted in the court of law and there shall be no adverse impact as

(iii) Auditors' Comments on (i) or (ii) above:

UNITECH LIMITED GURGAON

Matter 2

1 Details of Audit Qualification:-

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.31596.72 lacs deposited with the Hon'ble Supreme Court Registry ("Registry") is outstanding as at 31st March 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 the amicus curiae towards reimbursement of expenses, and the aforesaid sum of Rs.31596.72 lacs is net of these transactions. Due to non-availability of any statement o 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 31st March 20 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 statements of the Company, and hence we are unable to express an opinion on this matter.

2 Type of Audit Qualification: Disclaimer of Opinion
3 Frequency of qualification: 1st time Disclaimer
4 For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views

5 For Audit Qualification(s) where the impact is not quantified by the auditor:
(i) Management's estimation on the impact of audit qualification:
(ii) If management is unable to estimate the impact, reasons for the same:
It's a matter of reconcilliation with the Registry of the Hon'ble Supreme Court and there shall be no adjustment required in
(iii) Auditors' Comments on (i) or (ii) above:

UNITECH LIMITED
GURGAON

Matter 3

1 Details of Audit Qualification:-

An amount of Rs.107631.33 lacs is outstanding as at 31st March 2019 (Previous year ended 31st March 2018 – Rs.111,918.56 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.18600.64 lacs ; 31st March 2019 (Previous year ended 31st March 2018 – Rs.18572.28 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 interna assessments and evaluations, possible recoveries from securities (registered or unregistered) have represented that significant portion of such trade receivables outstandi are still recoverable/adjustable and that no accrual for diminution in value of trade receivables is therefore necessary as at 31st March 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 31st March 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.18600.64 lacs are doubtful of recovery and consequently, management ought to provide/accrue for the diminution for these balances. Moreover, the recovery of suc 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 expec and hence we are unable to express an opinion on this matter.

Our opinion on the consolidated financial statements for the year ended 31st March, 2018 was qualified in respect of this matter.

2 Type of Audit Qualification: Disclaimer of Opinion

3 Frequency of qualification: 1st time Disclaimer Previous year - Qualified

4 For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views

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 31 March, 2019. They are confident of appropriately adjusting / recovering significant portions of the remaining outstanding balance of such amounts in the foreseeable fut

5 For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification:

(ii) If management is unable to estimate the impact, reasons for the same:

(iii) Auditors' Comments on (i) or (ii) above:

UNITECH LIMITED * GURGAON *

Matter 4

1 Details of Audit Qualification:-

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

S.No	Particulars	Unpaid matured deposits (Principal amount) as at 31st March 2018 (Rs. lacs)	Principal paid during the current quarter (Rs. lacs)/ Principal paid during the current year (Rs. lacs)	Unpaid matured deposits (Principal amount) as at 31st March 2019 (Rs lacs)
A)	Deposits that have matured on or before March 31, 2017	53,154.33	19.29 140.16	53,014.17

The total unpaid interest as on 31st March 2019 (including interest not provided in the books) amounts to Rs.36034.14 lacs.

Further, the Company has not provided for interest payable on public deposits which works out to Rs.7096.83 lacs for the current year ended 31st March 2019 (Previous year ended 31st March 2018 – Rs.7132.03 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.7096.83 lacs 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 an opinion on this matter.

Our opinion on the consolidated financial statements for the year ended 31st March, 2018 was qualified in respect of this matter.

2 Type of Audit Qualification: Disclaimer of Opinion

3 Frequency of qualification: 1st time Disclaimer Previous year - Qualified

4 For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

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 propoerties so that the term desposit holders can be paid. The matter is also siezed of the Hon'ble Supreme Court & Hon'ble Delhi High Court and the management expects no other e other than the stated ones

5 For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification:

(ii) If management is unable to estimate the impact, reasons for the same.

(iii) Auditors' Comments on (i) or (ii) above:

UNITECH LIMITED GURGAON

Matter 5

1 Details of Audit Qualification:-

Advances amounting to Rs.57544.17 lacs (net of provision for doubtful advances) (previous year ended 31st March, 2018 - Rs.72544.17 lacs) 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.15000.00 lacs has been provided for doubtful advances during the current year. 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 31st March 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 year, 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 31st March 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 an opinion on this matter.

Our opinion on the consolidated financial statements for the year ended 31st March, 2018 was qualified in respect of this matter.

2 Type of Audit Qualification: Disclaimer of Opinion

3 Frequency of qualification: 1st time Disclaimer Previous year - Qualified

4 For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

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.

5 For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification:

(ii) If management is unable to estimate the impact, reasons for the same:

(iii) Auditors' Comments on (i) or (ii) above:

UNITECH LIMITED GURGAON

Matter 6

1 Details of Audit Qualification:-
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 t case may be) to the lenders of the holding Company and the total of such outstandings amount to Rs.185876.70 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 forur 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 secu 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 an opinion on this matter.

2 Type of Audit Qualification: Disclaimer of Opinion
3 Frequency of qualification: 1st time Disclaimer
4 For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
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

5 For Audit Qualification(s) where the impact is not quantified by the auditor:
(i) Management's estimation on the impact of audit qualification:
(ii) If management is unable to estimate the impact, reasons for the same:
(iii) Auditors' Comments on (i) or (ii) above:

Matter 7

1 Details of Audit Qualification:-
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.90793.85 lacs which is included under contingent liabilities in the consolidated financial statements. D to non-availability of substantive evidence in support 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 an opinion on this matter.

2 Type of Audit Qualification: Disclaimer of Opinion
3 Frequency of qualification: 1st time Disclaimer
4 For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
5 For Audit Qualification(s) where the impact is not quantified by the auditor:
(i) Management's estimation on the impact of audit qualification:
(ii) If management is unable to estimate the impact, reasons for the same:
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
(iii) Auditors' Comments on (i) or (ii) above:

UNITECH LIMITED
GURGAON

Matter 8

1 Details of Audit Qualification:-
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.24951.22 lacs comprised of principal loan of Rs.24696.88 lacs i 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 Mar 2018, adjusted a sum of Rs.23307.86 lacs against the outstanding dues by settlement against various plotted units and recognizing sales of Rs.23307.86 lacs, and consequently the liability of ILFS was reduced to Rs.1643.36 lacs as at 31st March 2018.

However, in the current financial year, the Company, upon obtaining balance confirmation statement from ILFS, which has been provided only as at 31st December 20 observed that the statement of ILFS reflected an unascertained adjustment of dues of Rs.172.78 lacs, and moreover, ILFS has charged additional interest amounting to Rs.3630.75 lacs for the current period from 1st April 2018 to 31st December 2018. ILFS has not provided any confirmation as at 31st March 2019.

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 has also not provided for the interest of Rs.3630.75 lacs charged by ILFS for the current period from 1st April 20 to 31st December 2018 (had the loan been re-instated in the books of account of the Company), nor has it provided for the uncharged interest for the period 1st Januar 2019 to 31st March 2019 which works out to approximately Rs.1087.70 lacs, together aggregating to approximately Rs.4718.45 lacs.

Due to non-availability of statement of account from ILFS upto 31st March 2019, and due to the fact that ILFS has not recorded the aforesaid settlement in it 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 expre an opinion on this matter.

2 Type of Audit Qualification: Disclaimer of Opinion
3 Frequency of qualification: 1st time Disclaimer
4 For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
The Company has entered into binding understanding and thus the loan was adjusted in the FY 2017-18. The Company shall ask IL&FS for specific performance and thus reversal of sale or booking of interest is not required
5 For Audit Qualification(s) where the impact is not quantified by the auditor:
(i) Management's estimation on the impact of audit qualification:
(ii) If management is unable to estimate the impact, reasons for the same:
(iii) Auditors' Comments on (i) or (ii) above:

For R Nagpal Associates
Chartered Accountants
Firm Registration no.: 002626N

Ravinder Nagpal
Partner
Membership No.081594

For and on behalf of the Board of Directors

Director

Sunil Rekhi
Chairman, Audit Committee
DIN : 00062990

Deepak KumarTyagi
Chief Financial Officer

Place: Gurugram
Date: 19th July 2019

UNITECH LIMITED * GURGAON *