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

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

- Unitech Limited, the holding Company, failed to hold its Annual General Meeting (AGM) due on or before 30th September 2018, pursuant to section 96 of the Companies Act, 2013, to transact the agenda including the approval of Accounts for the year ended 31st March 2018. The Company applied to the Registrar of Companies, NCT of Delhi & Haryana, for extension of period by three months for holding the AGM, but the same was rejected. The said AGM has not yet been held as of date. However, in view of the fact that audit of the holding company had been conducted by us for the financial year 2017-18 and also the report was issued by us on the Accounts duly approved by the Board & signed by the directors as stipulated under the Companies Act, 2013, we had proceeded with the audit engagement of the holding company of the subsequent year i.e. year ended 31st March 2019 taking the opening balances from the audited Balance Sheet of year ended 31st March 2018 duly approved by the Board. Subsequently, in view of the fact that audit of the holding company had been conducted by us for the financial year 2018-19 and also the report was issued by us on the Accounts duly approved by the Board & signed by the directors as stipulated under the Companies Act, 2013, we have proceeded with the audit engagement of the holding company of the subsequent year i.e. year ended 31st March 2020 taking the opening balances from the audited Balance Sheet of year ended 31st March 2019 duly approved by the Board. Needless to mention that the AGM due on or before 30th September 2019, pursuant to section 96 of the Companies Act, 2013, to transact the agenda including the approval of Accounts for the year ended 31st March 2019 has not been held by the Company.*
- The Hon'ble Supreme Court vide its order dated 20th January 2020 has, *inter alia*, given directions that the Board of Directors of Unitech Limited, as existing on that date, be superseded with immediate effect in order to facilitate the taking over of management by the new Board of Directors constituted in terms of the proposal submitted by the Union Government of India. We have made references to the Resolution Framework (RF) for Unitech group which has been prepared under the directions of the Board of Directors of Unitech Limited appointed by the Central Government pursuant to the afore-said order of the Hon'ble Supreme Court and approved by the Board of Directors in their Meeting held on June 17, 2020, and which has been filed with the Hon'ble Supreme Court. Subsequent corrections/modifications have been done in the RF and approved by the Company's Board in their meeting held on September 10, 2020. However, the modified RF has not yet been



filed with the Hon'ble Supreme Court. The RF contains various proposals like determining admitted liabilities & claims, proposing non-payment of penalty, interest, default interest or damages to creditors, stakeholders, homebuyers, landowners, leaseholders or any Authority, detailing the resolution framework for company's projects, detailing the resolution framework for non-project assets etc. The RF seeks various reliefs and concessions like (a) Homebuyers' Credit Lines, (b) Immunity for the Board, their appointed key management personnel, employees, advisors and consultants for any action taken by them in good faith, (c) Grant of benefits to the Company, its subsidiaries and joint ventures and Project Entities of protections similar to section 32A of the Insolvency and Bankruptcy Code, 2016, (d) Priority Finance and other borrowings for implementation of the Framework, and (e) Tax related reliefs and concessions. Besides the RF also seeks some specific directions like Imposition of moratorium, Consolidation of Unitech Group, No-requirement of registration under RERA, amongst others. As the RF has not yet been approved by the Hon'ble Supreme Court, the impact of the proposed reliefs, concessions etc. will be considered at that point of time.

3. We were engaged to review the accompanying statement of unaudited consolidated financial results of **Unitech Limited** ("the Company" or "the holding Company") and its subsidiaries (collectively referred to as 'the Group'), and its share of profit/loss after tax and total comprehensive income/loss of its associates and joint ventures, for the quarter and nine month period ended 31st December 2019, attached herewith ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("the Circular").
4. The preparation of the Statement in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("IND AS 34") prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular, is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
5. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditors of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

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



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

6. a) The Statement includes the unaudited management results of the following entities for the quarter:

Subsidiaries

Abohar Builders Private Limited, Aditya Properties Private Limited, Agmon Projects Private Limited, Akola Properties Limited, Alga Properties Private Limited, Alire Builders Private Limited, Alire Developers Private Limited, Alkosi Limited, Aller Properties Private Limited, Alor Golf Course Private Limited, Alor Maintenance Private Limited, Alor Projects Private Limited, Alor Recreation Private Limited, Amaro Developers Private Limited, Amarprem Estates Private Limited, Amur Developers Private Limited, Andes Estates Private Limited, Angul Properties Private Limited, Araham Properties Private Limited, Arcadia Build Tech Limited, Arcadia Projects Private Limited, Ardent Build Tech Limited, Askot Builders Private Limited, Azores Properties Limited, Bageris Limited, Bolemat Limited, Boracim Limited, Broomfield Builders Private Limited, Broomfield Developers Private Limited, Brucosa Limited, Bengal Universal Consultants Private Limited, Bengal Unitech Hospitality Private Limited, Burley Holding Limited, Bengal Unitech Universal Infrastructure Private Limited, Bengal Unitech Universal Siliguri Projects Limited, Bengal Unitech Universal Townscape Limited, Bynar 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, Marline Builders Private Limited, Masla Builders Private Limited, Mayurdhawaj Projects Private Limited, Medlar Developers Private Limited, Medwyn Builders Private Limited, Moonstone Projects Private Limited, Moore Builders Private Limited, Munros Projects Private Limited, Nectrus Limited, New India



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

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

Associates

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

Joint Ventures



Arihant Unitech Realty Projects Limited, Entertainment City Limited(formerly known as International Recreation Parks Private Limited), MNT Buildcon Private Limited, S.B. Developers Limited, Sarvmangalam Builders & Developers Private Limited, Shivalik Ventures Private Limited, Shivalik Ventures City Developers Private Limited, Unitech LG Construction Company Limited (AOP), Adventure Island Ltd., North Town Estates Pvt Ltd, SVS Buildcon Pvt. Ltd., Unitech Valdel Valmark Pvt. Ltd., Unival Estates India LLP, Arsanovia Ltd., Kerrush Investments Ltd and Elmvale Holding Ltd.

7. We did not review interim financial statements/financial results of 217 subsidiaries and one foreign branch included in the unaudited consolidated financial results, whose financial results reflect total revenues of Rs. 24,491.41 lakhs and total assets of Rs.176,650.09 lakhs, for the period ended 31st December 2019 as considered in the unaudited consolidated financial results. These interim financial statements/financial results have also not been reviewed by their respective auditors and have been provided to us by the management, and our conclusion on the Statement insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the procedures performed by us as stated in paragraph 5 above.
8. The unaudited consolidated financial results include interim financial statements/financial results of 1 subsidiary which has been reviewed by their auditors, whose interim financial statements/financial results reflect total revenue of Rs. 23,487.59 lakhs, total net profit/(loss) after tax of Rs. 632.76 lakhs, total assets of Rs. 29,726.87 lakhs and total net cash flows of (-)Rs.11.70 lakhs for the period ended 31st December 2019 as considered in the unaudited consolidated financial results. These unaudited consolidated financial results also include the group's share of net profit/(loss) after tax of Rs.(-)109.64 lakhs and total comprehensive income/(loss) of Rs. Nil for the period ended 31st December 2019 in respect of one Joint Venture, whose interim financial statements/financial results have not been reviewed by us. The group's share of net profit/(loss) after tax and total comprehensive income/(loss) for the period ended 31st December 2019 are not available in respect of 4 Associates and 15 Joint Ventures.
9. We draw attention to the following:
- a) We draw attention to Regulation 33(3)(h) of the Regulations, wherein the Company has failed to ensure that, for the purposes of quarterly consolidated financial results, at least eighty percent of each of the consolidated revenue, assets and profits, respectively, shall have been subjected to limited review by their respective auditors. Only one subsidiary viz. Unitech Power Transmission Limited(UPTL), out of 218 subsidiaries & 1 foreign branch, has been subjected to limited review by its auditors, which does not fulfill the criteria required as per regulation 33(3)(h) mentioned above.

The Company has provided us with the signed financials of UPTL and the management results/financials of the remaining subsidiaries/foreign branch. Except for reviewing the financials of UPTL, no limited review of the remaining subsidiaries/foreign branch has been carried out by us, since only management results/financials have been provided to us and further, these have also not been reviewed by their respective auditors. Here we would like to mention that a number of directors have resigned in a many of the subsidiaries,



resulting in 153 subsidiaries having less than the minimum number of directors as required under the Companies Act 2013, and thus rendering the conducting of board meetings and adoption of accounts unfeasible. We have also observed from the MCA portal that the status of 5 subsidiaries is reflected as 'Strike-off'; these are marked with an asterisk (*) in para 6(a).

We are unable to comment on the veracity of the un-reviewed management results/financials provided as mentioned above, and hence we are unable to express a conclusion on the consolidated financial results.

- b) The holding Company had received a 'cancellation of lease deed' notice from Greater Noida Industrial Development Authority ("GNIDA") dated 18 November 2015. As per the Notice, GNIDA 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 lakhs. As per the notice, and as per the relevant clause of the bye-laws/contractual arrangement with the Company, 25% of the total dues amounting to Rs.13893.42 lakhs were to be forfeited out of the total amount paid till date. The holding Company has incurred total expenditure of Rs.213962.69 lakhs [comprising of (i) the amounts paid for land dues and stamp duty Rs.34221.90 lakhs, (ii) the balance portions of the total amounts payable, including contractual interest accrued till 31st March 2016, of Rs.99091.90 lakhs; and (iii) other construction costs amounting to Rs. 80648.89 lakhs]. 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 Company and, due to default in repayment of these NCDs, the debenture holders have served a notice to the Company under section 13(4) of the SARFAESI Act and have also taken notional possession of this land. The holding Company had contractually entered into agreements to sell with 397 buyers and has also received advances from such buyers amounting to Rs 6682.10 lakhs (net of repayment). No contract revenue has been recognized on this project. The erstwhile Management had written a letter to GNIDA dated 1st December 2015, wherein it had stated that the cancellation of the lease deed was wrong, unjust and arbitrary. Further, the said erstwhile management had also described steps taken for implementation of the project and valid business reasons due to delays till date. Further, the said erstwhile 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 should allow the 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 Company till date 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.

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 lakhs (Rs 6682.10 lakhs and interest @ 6% on the principal amount of Rs 6682.10 lakhs), out of the monies paid by the Company, with the registry of the Hon'ble Supreme Court.

Subsequent to the end of the quarter, GNIDA has adjusted Rs.9200.00 lakhs of Unitech group's liabilities towards the holding Company's other projects with GNIDA and forfeited Rs.13893.42 lakhs.

The holding Company had paid a sum of Rs.34221.90 lakhs, including Rs 4934.95 lakhs of stamp duty on the land for the said land.



The matter in respect of the land is still pending before the Hon'ble High Court of Allahabad, and pending the final disposal, the Company has, subsequently, shown the amount of Rs.18339.80 lakhs as recoverable from GNIDA in its books of account. Further, the Company is also carrying other construction costs amounting to Rs. 80648.89 lakhs in respect of the projects to come up on the said land.

The impact on the accounts viz. inventory, projects in progress, customer advances, amount payable to or receivable from GNIDA, cannot be ascertained, since the matter is still sub-judice, as mentioned hereinabove, vis-à-vis dues of the Company, and hence we are unable to express a conclusion on this matter.

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

- c). 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.42,304.08 lakhs deposited with the Hon'ble Supreme Court Registry ("Registry") is outstanding as at 31st December 2019. Certain transactions have been made from the Registry viz. payments mainly towards refunds given to some of the Company's home buyers, payments made to fixed deposit holders, payments made to ex-employees, amounts paid to the Company for meeting construction expenses, payments made to forensic auditors out of interest accrued, and amounts paid to the amicus curiae towards reimbursement of expenses. 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 and the amount of Rs.42,304.08 lakhs has been accounted for under the head "Other Assets" in the unaudited consolidated financial statements. Moreover, there would be significant amount of interest accrued on the aforesaid deposits which are not accounted for in the books due to non-availability of details. The management has requested the learned amicus curiae to provide the relevant bank statement and balance confirmations. The final reconciliation can take place only after receipt of the same. 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 these transactions would have on the unaudited consolidated financial results of the Company, and hence we are unable to express a conclusion on this matter.

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

- d) An amount of Rs. 97,952.28 lakhs is outstanding as at 31st December 2019 (Previous year ended 31st March 2019 – Rs.107,631.33 lakhs) which is comprised of trade receivables pertaining to sale of land, properties, finished goods, commercial plots/properties of various kinds. Out of the total trade receivables, which include long term receivables amounting to Rs.30,877.70 lakhs, in our opinion such receivables amounting to Rs. 15,345.88 lakhs as at 31st December 2019 (Previous year ended 31st March 2019 – Rs.18,600.64 lakhs) are doubtful of recovery. 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 December 2019 are outstanding/remained unadjusted for a long period of time. Based on our assessment and review procedures performed, in our opinion, management ought to provide/accrue for the diminution for the aforesaid trade



receivables amounting to Rs. 15,345.88 lakhs in the these quarterly results. The recovery of such trade receivables are dependent on the sale of land held by these debtors and their realize-ability, which, looking at the size of the land held by these debtors, their sale-ability, and uncertainty as to whether such land can be realized at their respective circle rates or more, it is indeterminate as to what extent of further losses can be expected, and hence we are unable to express a conclusion on this matter.

Further, considering the above, the measurement of expected credit loss on the trade receivables cannot be applied.

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

The Company has, subsequent to the quarter, provided for diminution in the value of the long term trade receivables referred to above to the extent of Rs. 30,877.70 lakhs.

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

Particulars	Unpaid matured deposits (Principal amount) as at 31 st March 2019 (Rs. lakhs)	Principal paid during the current period (Rs. lakhs)	Unpaid matured deposits (Principal amount) as at 31 st December 2019 (Rs. lakhs)
Deposits that have matured on or before March 31, 2017	53,014.17	97.61	52,916.56

The total unpaid interest as on 31st December 2019 (including interest not provided in the books) amounts to Rs. 41,322.36 lakhs.

Further, the holding Company has not provided for interest payable on public deposits which works out to Rs.1,780.44 lakhs for the current period ended 31st December 2019 (Cumulative upto 31st December 2019 – Rs. 19,563.90 lakhs). Such un-provided interest payable has been worked out on the outstanding public deposits in the books of account, without considering the unidentified repayments made by the Hon'ble Supreme Court as mentioned in Para 9(c) above.

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 Company had 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 to us, the Company has made best possible efforts for sale of the land parcels earmarked for repayment of the deposits but such sale process has not yielded any results.



Considering that the erstwhile management had 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 had filed prosecution against the holding Company and its erstwhile management before the Ld. Special Court, Dwarka District Court, New Delhi. However, the Hon'ble High Court of Delhi had stayed the said prosecution, and had subsequently vide its order dated 22.01.2019, allowed the petitions filed by the holding Company and erstwhile management by setting aside & vacating the impugned Dwarka District court order dated 20.9.2016 with regard to summoning of the erstwhile management.

Few depositors had filed an intervention application before the Hon'ble Supreme Court in the pending bail matter of the erstwhile Managing Directors of the holding Company. Considering their application, the Hon'ble Supreme Court had, vide its order dated 30.10.2017, directed an amicus curiae to create a portal where the depositors could 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.

Subsequent to the new Board of Directors taking over the management, a resolution framework has been submitted to the Hon'ble Supreme Court by the Company, as mentioned in Para 2 above, for addressing the matters of home buyers, fixed deposit holders and others. At present the resolution framework is under the consideration of the Hon'ble Supreme Court. The final quantum of liability of these cases can be ascertained only upon the final decision by the Hon'ble Supreme Court.

Besides, the impact of non-provision of interest payable on public deposits of Rs. 1,780.44 lakhs for the quarter ended 31st December 2019 on the profit and loss, we are unable to evaluate the ultimate likelihood of penalties/ strictures or further liabilities, if any on the Company. Accordingly, impact, if any, of the indeterminate liabilities on these unaudited consolidated financial results is currently not ascertainable, and hence we are unable to express a conclusion on this matter.

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

- f). Advances amounting to Rs. 49,849.90 lakhs (net of provision for doubtful advances) (previous year ended 31st March, 2019 - Rs.57,544.17 lakhs (net of provision for doubtful advances)) are outstanding in respect of advances for purchase of land, projects pending commencement, joint ventures and collaborators which, as represented by the management, have been given in the normal course of business to land owning companies, collaborators, projects and for purchase of land. As per information made available to us and explanations given to us Rs. Nil had been recovered / Rs.3,750.00 lakhs has been provided for doubtful advances during the current quarter.

We are unable to ascertain whether all the remaining outstanding advances, mentioned above, are fully recoverable/adjustable, since the said outstanding balances are outstanding/remained unadjusted for a long period of time, and further, in our opinion, neither the amounts recovered nor rate of recovery of such long



outstanding amounts in the previous years & current period, give an indication that all of the remaining outstanding amounts may be fully recoverable; consequently, we are unable to ascertain whether all of the remaining balances as at 31st December 2019 are fully recoverable. Accordingly, we are unable to ascertain or comment upon the impact, if any, on the loss or on the reserves or on value of asset, that may arise in case any of these remaining advances are subsequently determined to be doubtful of recovery, and hence we are unable to express a conclusion on this matter.

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

- g). 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 Company who have taken action against the Company for recovery of their dues and the total of such outstandings amount to Rs. 255,641.21 lakhs. 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 on the corresponding loans and also unable to evaluate the ultimate likelihood of penalties/ strictures or further liabilities; and hence we are unable to express a conclusion on this matter.

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

- h). Material Uncertainty Related to Going Concern

The management has prepared these unaudited consolidated financial results on a going concern basis, notwithstanding the fact that, the Company has incurred losses, and has challenges in meeting its operational obligations, servicing its current liabilities including bank loans and public deposits. The Company also has various litigation matters which are pending before different forums, and various projects of the Company have stalled/slowed down.

As mentioned earlier, subsequent to the new Board of Directors taking over the management, a Resolution Framework has been submitted to the Hon'ble Supreme Court by the Company, as mentioned in Para 2 above, wherein the Company has requested the Hon'ble Supreme Court to grant numerous reliefs so that the Company is able to meet its operational obligations and settle its liabilities. The Board has also submitted in the RF that on the basis of review of records and finances of Unitech group as currently available, it appears that Unitech Group has significant negative net worth and may not be able to attract a resolution/ settlement under the Insolvency and Bankruptcy Code (IBC). At present the resolution framework is under the consideration of the Hon'ble Supreme Court.

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, and also on the final decision of the Hon'ble Supreme Court on the Resolution Framework.

Considering the above, we are unable to express a conclusion on this matter.

10. We draw attention to the following other matters:

- a). The Hon'ble Supreme Court had vide its Order dated 08.09.2017 appointed an amicus curiae with directions to create a web portal where the home buyers could indicate their option of (i) refund of money they have paid to the Company/companies in the group, for purchasing residential units, or (ii) possession of house. 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;

As mentioned earlier, subsequent to the new Board of Directors taking over the management, a resolution framework has been submitted to the Hon'ble Supreme Court by the Company, as mentioned in Para 2 above, for addressing the matters of home buyers, fixed deposit holders and others. At present the resolution framework is under the consideration of the Hon'ble Supreme Court. The final quantum of liability of these cases can be ascertained only upon the final decision by the Hon'ble Supreme Court.

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

- b). No adjustment has been considered necessary for recoverability of investment in share capital/projects aggregating to Rs.2,823.86 lakhs (Previous year ended 31st March, 2019 - Rs.2,814.39 lakhs) as the matters are still sub-judice and the impact, if any is unascertainable at this stage.

- c). The holding Company had received an arbitral award dated 6th July 2012 passed by the London Court of International Arbitration (LCIA) wherein the arbitration tribunal has directed the holding Company to purchase the investment of Cruz City 1(a company owned by Lehman Bros.) in Kerrush Investment Ltd. (Mauritius) at the overall value of USD 298,382,949.34 (Previous year ended 31st March 2019- USD 298,382,949.34) equivalent to Rs. 212,687.37 lakhs (Previous year ended 31st March 2019 - Rs.206,839.06 lakhs). 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 decree of the aforesaid amount against the company is pending for execution.

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



- d). The internal auditors appointed by the Company have resigned during the current financial year. Internal audit reports were not made available to us for the period.
- e). A forensic audit of the Company was conducted as per directions of the Hon'ble Supreme Court, and the report on the forensic audit was submitted in a sealed envelope to the Hon'ble Supreme Court. We have been informed that the report on the forensic audit is not available with the Company or its Board of Directors; hence impact of observations in the forensic audit report can be ascertained only after the same is obtained.
11. *Because of the substantive nature and significance of the matters described in paragraph 9(a) to 9(h) above, we have not been able to obtain sufficient appropriate evidence to provide a basis for expressing a conclusion as to whether these unaudited consolidated financial results, which include the results of the subsidiaries mentioned in paragraph 6(a) above and share of profit/loss after tax and total comprehensive income/loss of the associates & joint ventures mentioned in paragraph 6(b) above,*
- (i) *are presented in accordance with the requirements of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended; and*
- (ii) *give a true and fair view of the consolidated net loss, consolidated comprehensive income and other financial information for the quarter and nine month period ended 31st December 2019.*

Place: Gurugram

Date: 9/11/2020

UDIN - 20081594 AAAAI Q 7054



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


(CA. Ravinder Nagpal)
Partner
Membership No. 081594

UNITECH LIMITED

CIN: L74899DL1971PLC009720

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

Statement of Consolidated Results for the Quarter & Nine Months Ended December 31, 2019

(Rs. in Lakhs except EPS)

Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	31.03.2019 (Audited)
1.	Revenue from Operations	78,031.69	50,985.23	21,563.86	157,855.55	69,531.96	133,746.83
2.	Other Income	452.46	491.60	219.60	3,822.84	1,232.59	3,357.22
3.	Total Income (1+2)	78,484.15	51,476.83	21,783.46	161,678.39	70,764.55	137,104.05
4.	Expenses						
	Job and construction expenses	2,028.29	2,300.93	5,841.22	6,713.17	14,211.09	16,382.32
	Real Estate, Construction and Other Expenses	56,847.87	35,707.77	13,267.22	111,510.99	46,216.67	102,203.45
	Changes in Inventories of finished properties, land, land development right and work in progress	(1,702.34)	(659.47)	(2,395.46)	(2,879.09)	(2,550.52)	751.00
	Employee Benefits Expense	2,218.47	2,174.56	2,314.80	6,537.71	6,842.86	9,130.11
	Finance Costs	13,201.52	12,978.27	12,190.64	38,656.75	33,788.78	58,423.64
	Depreciation and Amortisation Expense	178.61	172.09	185.75	512.87	572.34	907.75
	Other expenses	6,829.97	7,472.84	3,296.75	21,366.58	10,163.04	25,184.24
	Total Expenses	79,602.39	60,146.99	34,700.92	182,418.98	109,244.26	212,982.51
5.	Profit/(Loss) from Operations before Exceptional items and Prior Period Adjustments (3-4)	(1,118.24)	(8,670.16)	(12,917.46)	(20,740.59)	(38,479.71)	(75,878.46)
6.	Exceptional items	-	-	-	-	-	7,496.10
7.	Profit/(Loss) from Ordinary Activities before tax (5+/-6)	(1,118.24)	(8,670.16)	(12,917.46)	(20,740.59)	(38,479.71)	(83,374.56)
8.	Tax Expense						
	(a) Current Tax						
	Current Year	270.58	308.95	298.07	836.37	603.35	842.50
	Less : MAT credit entitlement	-	-	-	-	-	-
	Earlier year Tax Reversal	(7.82)	9.20	7.22	1.43	29.17	468.84
	(b) Deferred Tax	(118.31)	2,830.34	7.76	2,653.93	16.76	(5,401.03)
9.	Net Profit/(Loss) from Ordinary Activities after tax (7+/-8)	(1,262.69)	(11,818.65)	(13,230.51)	(24,232.32)	(39,128.99)	(79,284.87)
10.	Extraordinary items (Net of Tax Expense)	-	-	-	-	-	-
11.	Net Profit/(Loss) for the period (9+/-10)	(1,262.69)	(11,818.65)	(13,230.51)	(24,232.32)	(39,128.99)	(79,284.87)
12.	Share of Profit/ (Loss) of associates	(1.88)	(161.79)	-	(109.65)	6.62	(64.41)
13.	Minority interest	(387.49)	299.10	85.77	(209.05)	255.05	265.77
14.	Net Profit/(Loss) after Taxes, Minority Interest and share of Profit/(Loss) of Associates (11+/-12+/-13)	(1,652.06)	(11,681.34)	(13,144.74)	(24,551.02)	(38,867.32)	(79,083.51)
15.	Profit/(Loss) from continuing operation (before tax)	(1,618.26)	(8,817.90)	(13,031.09)	(21,786.82)	(39,048.55)	(84,665.90)
16.	Tax Expenses of continuing operations	147.65	3,168.32	256.39	3,396.96	340.27	(4,645.40)
17.	Profit/(Loss) from continuing operations after tax (15+/-16)	(1,765.91)	(11,986.22)	(13,287.48)	(25,183.78)	(39,388.82)	(80,020.50)
18.	Profit/(Loss) from discontinued operation (before tax)	110.65	285.04	199.40	727.53	830.51	1,492.70
19.	Tax Expenses of discontinued operations	(3.20)	(19.84)	56.66	94.77	309.01	555.71
20.	Profit/(Loss) from discontinued operations after tax (18+/-19)	113.85	304.88	142.74	632.76	521.50	936.99
21.	Profit / (Loss) for the period (17+/-20)	(1,652.06)	(11,681.34)	(13,144.74)	(24,551.02)	(38,867.32)	(79,083.51)
22.	Other Comprehensive Income (net of tax)	(26.39)	50.04	-	41.61	(26.12)	(4,790.77)
23.	Total Comprehensive Income (21+/-22)	(1,678.45)	(11,631.30)	(13,144.74)	(24,509.41)	(38,893.44)	(83,874.28)
24.	Paid-up equity share capital (Face Value - Rs. 2 per share)	52,326.02	52,326.02	52,326.02	52,326.02	52,326.02	52,326.02
25.	Other Equity excluding Revaluation Reserves						586,665.70
26.	Earnings per Equity Share for continuing operations (of Rs. 2/- each) *(Not Annualised)						
	Basic and Diluted (Rs.)	(0.06)*	(0.45)*	(0.51)*	(0.96)*	(1.51)*	(3.06)
	Earnings per Equity Share for discontinued operations (of Rs. 2/- each) *(Not Annualised)						
	Basic and Diluted (Rs.)	0.00*	0.01*	0.00*	0.02*	0.02*	0.04
	Earnings per Equity Share for continuing & discontinued operations (of Rs. 2/- each) *(Not Annualised)						
	Basic and Diluted (Rs.)	(0.06)*	(0.44)*	(0.51)*	(0.94)*	(1.49)*	(3.02)



As certified by the C. F. O.

Y. S. Malik
CMD, Unitech Limited

Unitech Limited
CIN: L74899DL1971PLC009720

UNAUDITED SEGMENT-WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2019
(Rs. In Lakhs)

Sl No.	Particulars	CONSOLIDATED					
		Quarter Ended			Nine Months Ended		Year Ended
		31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	31.03.2019 (Audited)
1.	Segment Revenue						
	(a) Real Estate & Related Activities	67,035.20	40,035.56	9,552.85	122,611.30	30,680.81	65,320.55
	(b) Property Management	4,010.74	3,084.63	761.85	13,190.62	10,176.45	21,137.75
	(c) Hospitality	831.19	559.62	770.26	1,888.09	1,935.36	2,495.26
	(d) Transmission Tower	6,511.25	7,527.93	10,304.06	23,487.59	27,546.90	46,755.88
	(e) Investment & Other Activities	8.01	-	-	8.01	17.02	-
	Total	78,396.39	51,207.74	21,389.02	161,185.61	70,356.54	135,709.44
	Less: Inter Segment Revenue	-	-	-	-	-	-
	Net External Revenue	78,396.39	51,207.74	21,389.02	161,185.61	70,356.54	135,709.44
2.	Segment Result						
	(Profit/(Loss) Before tax & Finance Cost)						
	(a) Real Estate & Related Activities	10,828.61	2,384.27	(2,585.85)	13,659.13	(8,802.64)	(23,318.53)
	(b) Property Management	708.83	1,163.79	986.12	2,546.57	2,227.99	2,677.07
	(c) Hospitality	150.22	(48.22)	62.74	(26.54)	(36.59)	(207.99)
	(d) Transmission Tower	300.90	543.64	416.01	1,242.20	1,496.51	2,130.39
	(e) Investment Activities	6.96	(4.47)	(0.28)	2.02	15.79	(130.38)
	(f) Others	-	-	-	-	-	-
	(g) Unallocable Income / (Expense)	87.76	269.09	394.44	492.78	408.01	1,394.61
	Total	12,083.28	4,308.10	(726.82)	17,916.16	(4,690.93)	(17,454.82)
	Less:						
	(i) Finance Cost	13,201.51	12,978.27	12,190.63	38,656.75	33,788.78	58,423.64
	(ii) Prior Period Adjustment	-	-	-	-	-	-
	(iii) Extraordinary Loss	-	-	-	-	-	7,496.10
	Profit /(Loss) before Tax	(1,118.24)	(8,670.17)	(12,917.46)	(20,740.59)	(38,479.71)	(83,374.56)
3.	Segment Assets						
	(a) Real Estate & Related Activities	2,633,747.93	2,581,821.69	2,653,296.28	2,633,747.93	2,653,296.28	2,578,172.27
	(b) Property Management	41,094.79	50,624.90	67,139.28	41,094.79	67,139.28	49,760.28
	(c) Hospitality	16,631.30	16,333.80	16,667.93	16,631.30	16,667.93	16,531.96
	(d) Transmission Tower	29,726.87	27,539.59	27,826.72	29,726.87	27,826.72	32,211.01
	(e) Investment Activities	35,795.17	35,983.64	36,779.97	35,795.17	36,779.97	36,783.44
	(f) Unallocable	-	-	-	-	-	-
	Total	2,756,996.06	2,712,303.63	2,801,710.18	2,756,996.06	2,801,710.18	2,713,458.96
4.	Segment Liabilities						
	(a) Real Estate & Related Activities	2,064,253.48	2,013,470.51	2,064,218.61	2,064,253.48	2,064,218.61	1,985,439.58
	(b) Property Management	33,985.26	43,505.42	42,931.08	33,985.26	42,931.08	42,792.51
	(c) Hospitality	27,104.63	26,906.64	27,081.49	27,104.63	27,081.49	26,955.39
	(d) Transmission Tower	19,439.80	17,403.10	18,450.60	19,439.80	18,450.60	22,422.43
	(e) Investment Activities	3,446.77	3,642.20	3,535.26	3,446.77	3,535.26	3,672.09
	(f) Unallocable	-	-	-	-	-	-
	Total	2,148,229.93	2,104,927.88	2,156,217.03	2,148,229.93	2,156,217.03	2,081,282.00



As certified by the C. F. O.

(Y. S. Malik)
CMD, Unitech Limited

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 9 th November 2020.
II	The Hon'ble Supreme Court vide its order dated 20 th January 2020 has, inter alia, given directions that the Board of Directors of Unitech Limited, as existing on that date, be superseded with immediate effect in order to facilitate the taking over of management by the new Board of Directors constituted in terms of the proposal submitted by the Union Government of India. References have been made hereunder to the Resolution Framework (RF) for Unitech group which has been prepared under the directions of the Board of Directors of Unitech Limited appointed by the Central Government pursuant to the afore-said order of the Hon'ble Supreme Court and approved by the Board of Directors in their Meeting held on June 17, 2020.
III	The company is primarily in the business of real estate development and related activities including construction, consultancy and rentals etc. The Company has interest in the business of property management, hospitality, transmission tower and investment activity. Further most of the business conducted is within the geographical boundaries of India. Accordingly, the company's business activities primarily represent a single business segment and the company's operations in India represent a single geographical segment.
IV	The Company has adopted Indian Accounting Standards ("Ind AS") from April 01, 2016 as prescribed under Section 133 of the Companies Act 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India. Financial results for all the periods presented herein have been prepared in accordance with the recognition and measurement principles as stated therein the application IND AS.
V	<p>Effective April 1, 2019, the Company adopted Ind AS 116 'Leases' using the modified retrospective method and there is no significant impact on the Financial results.</p> <p>Lessee: The Company has elected not to recognise a lease liability and a right-of-use asset for leases for which the lease term ends within twelve months of April 1, 2019 and has accounted for these leases as short-term leases. The lease payment associated with these lease are recognized as an expenses on a straight line basis over the lease term.</p> <p>Lessor: Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. The title to the assets and the significant risks associated with the operation and maintenance of these assets remains with the Company, such arrangements are recognised as operating lease.</p>
a)	<p>The limited review report of the statutory auditors on the unaudited Consolidated financial results of Unitech Limited for the quarter ended December 31st, 2019, contains disclaimer of conclusions on certain matters which is being summarised below:-</p> <p>We draw attention to Regulation 33(3)(h) of the Regulations, wherein the Company has failed to ensure that, for the purposes of quarterly consolidated financial results, at least eighty percent of each of the consolidated revenue, assets and profits, respectively, shall have been subjected to limited review by their respective auditors. Only one subsidiary viz. Unitech Power Transmission Limited(UPTL), out of 218 subsidiaries & 1 foreign branch, has been subjected to limited review by its auditors, which does not fulfill the criteria required as per regulation 33(3)(h) mentioned above.</p> <p>The Company has provided us with the signed financials of UPTL and the management results/financials of the remaining subsidiaries/foreign branch. Except for reviewing the financials of UPTL, no limited review of the remaining subsidiaries/foreign branch has been carried out by us, since only management results/financials have been provided to us and further, these have also not been reviewed by their respective auditors. Here we would like to mention that a number of directors have resigned in a many of the subsidiaries, resulting in 153 subsidiaries having less than the minimum number of directors as required under the Companies Act 2013, and thus rendering the conducting of board meetings and adoption of accounts unfeasible. We have also observed from the MCA portal that the status of 5 subsidiaries is reflected as 'Strike-off'; these are marked with an asterisk (*) in para 6(a).</p> <p>We are unable to comment on the veracity of the un-reviewed management results/financials provided as mentioned above, and hence we are unable to express a conclusion on the consolidated financial results.</p>

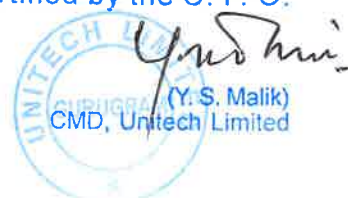


As certified by the C. F. O.



	<p>The management, in response of the above qualification, states the following:-</p> <p>The audit for the required number of companies could not be completed due to reasons beyond the control of the management</p>
b)	<p>The holding Company had received a 'cancellation of lease deed' notice from Greater Noida Industrial Development Authority ("GNIDA") dated 18 November 2015. As per the Notice, GNIDA 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 lakhs. As per the notice, and as per the relevant clause of the bye-laws/contractual arrangement with the Company, 25% of the total dues amounting to Rs.13893.42 lakhs were to be forfeited out of the total amount paid till date. The holding Company has incurred total expenditure of Rs.213962.69 lakhs [comprising of (i) the amounts paid for land dues and stamp duty Rs.34221.90 lakhs, (ii) the balance portions of the total amounts payable, including contractual interest accrued till 31st March 2016, of Rs.90001.00 lakhs; and (iii) other construction costs amounting to Rs. 80648.80 lakhs]. 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 Company and, due to default in repayment of these NCDs, the debenture holders have served a notice to the Company under section 13(4) of the SARFAESI Act and have also taken notional possession of this land. The holding Company had contractually entered into agreements to sell with 397 buyers and has also received advances from such buyers amounting to Rs 6682.10 lakhs (net of repayment). No contract revenue has been recognized on this project. The erstwhile Management had written a letter to GNIDA dated 1st December 2015, wherein it had stated that the cancellation of the lease deed was wrong, unjust and arbitrary. Further, the said erstwhile management had also described steps taken for implementation of the project and valid business reasons due to delays till date. Further, the said erstwhile 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 should allow the 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 Company till date 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.</p> <p>GNIDA has, in the meanwhile, in terms of the Order of the Hon'ble Supreme Court dated 18.09.2018, deposited on behalf of the Company, an amount of Rs.7436.35 lakhs (Rs 6682.10 lakhs and interest @ 6% on the principal amount of Rs 6682.10 lakhs), out of the monies paid by the Company, with the registry of the Hon'ble Supreme Court.</p> <p>Subsequent to the end of the quarter, GNIDA has adjusted Rs.9200.00 lakhs of Unitech group's liabilities towards the holding Company's other projects with GNIDA and forfeited Rs.13893.42 lakhs.</p> <p>The holding Company had paid a sum of Rs.34221.90 lakhs, including Rs 4934.95 lakhs of stamp duty on the land for the said land.</p> <p>The matter in respect of the land is still pending before the Hon'ble High Court of Allahabad, and pending the final disposal, the Company has, subsequently, shown the amount of Rs.18339.80 lakhs as recoverable from GNIDA in its books of account. Further, the Company is also carrying other construction costs amounting to Rs. 80648.89 lakhs in respect of the projects to come up on the said land.</p> <p>The impact on the accounts viz. inventory, projects in progress, customer advances, amount payable to or receivable from GNIDA, cannot be ascertained, since the matter is still sub-judice, as mentioned hereinabove, vis-à-vis dues of the Company, and hence we are unable to express a conclusion on this matter.</p> <p>The management, in response of the above qualification, states the following:-</p> <p>The Management is hopeful that its stand shall be vindicated in the court of law and there shall be no adverse impact, other than the ones already disclosed shall be there as such.</p>
c)	<p>Confirmations/reconciliations are pending in respect of amounts deposited by the Company with the Hon'ble Supreme Court. As per books of account an amount of Rs.42,304.08 lakhs deposited with the Hon'ble Supreme Court Registry ("Registry") is outstanding as at 31st December 2019. Certain transactions have been made from</p>

As certified by the C. F. O.



	<p>the Registry viz. payments mainly towards refunds given to some of the Company's home buyers, payments made to fixed deposit holders, payments made to ex-employees, amounts paid to the Company for meeting construction expenses, payments made to forensic auditors out of interest accrued, and amounts paid to the amicus curiae towards reimbursement of expenses. 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 and the amount of Rs.42,304.08 lakhs has been accounted for under the head "Other Assets" in the unaudited consolidated financial statements. Moreover, there would be significant amount of interest accrued on the aforesaid deposits which are not accounted for in the books due to non-availability of details. The management has requested the learned amicus curiae to provide the relevant bank statement and balance confirmations. The final reconciliation can take place only after receipt of the same. 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 these transactions would have on the unaudited consolidated financial results of the Company, and hence we are unable to express a conclusion on this matter</p> <p>The management, in response of the above qualification, states the following:-</p> <p>It's a matter of reconciliation with the Registry of the Hon'ble Supreme Court. The company is trying to have better information and there shall be no adjustment required in the statement of Profit & Loss.</p>											
d)	<p>An amount of Rs. 97,952.28 lakhs is outstanding as at 31st December 2019 (Previous year ended 31st March 2019 – Rs.107,631.33lakhs) which is comprised of trade receivables pertaining to sale of land, properties, finished goods, commercial plots/properties of various kinds. Out of the total trade receivables, which include long term receivables amounting to Rs.30,877.70 lakhs, in our opinion such receivables amounting to Rs. 15,345.88 lakhs as at 31st December 2019 (Previous year ended 31st March 2019 – Rs.18,600.64 lakhs) are doubtful of recovery. 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 December 2019 are outstanding/remained unadjusted for a long period of time. Based on our assessment and review procedures performed, in our opinion, management ought to provide/accrue for the diminution for the aforesaid trade receivables amounting to Rs. 15,345.88 lakhs in the these quarterly results. The recovery of such trade receivables are dependent on the sale of land held by these debtors and their realize-ability, which, looking at the size of the land held by these debtors, their sale-ability, and uncertainty as to whether such land can be realized at their respective circle rates or more, it is indeterminate as to what extent of further losses can be expected, and hence we are unable to express a conclusion on this matter.</p> <p>Further, considering the above, the measurement of expected credit loss on the trade receivables cannot be applied.</p> <p>The Company has, subsequent to the quarter, provided for diminution in the value of the long term trade receivables referred to above to the extent of Rs. 30,077.70 lakhs.</p> <p>The management, in response of the above qualification, states the following:-</p> <p>The Hon'ble Supreme Court vide its order dated 20th January 2020 replaced the then board of directors of the company and replaced it with current board of directors(hereinafter called the new management). The new management in pursuit to identify and recover the investments and advances made by the earlier management has sought the co-operation from the erstwhile chairman and managing directors. The response of the erstwhile chairman and managing directors is awaited and till then it would not be wise on the part of the new management to diminish the value of these investments and advances</p>											
e)	<p>The holding Company has failed to repay deposits accepted by it including interest thereon in respect of the following deposits:</p> <table><tr><td>Particulars</td><td>Unpaid matured deposits (Principal</td><td>Principal paid during the current period (Rs. lakhs)</td><td>Unpaid matured deposits (Principal</td></tr><tr><td></td><td></td><td></td><td></td></tr></table>				Particulars	Unpaid matured deposits (Principal	Principal paid during the current period (Rs. lakhs)	Unpaid matured deposits (Principal				
Particulars	Unpaid matured deposits (Principal	Principal paid during the current period (Rs. lakhs)	Unpaid matured deposits (Principal									

As certified by the C.F.O.
GURUGRAM
Y.S. Malik
CMD, Unitech Limited

	amount) as at 31 st March 2019 (Rs. lakhs)		amount) as at 31 st December 2019 (Rs. lakhs)
Deposits that have matured on or before March 31, 2017	53,014.17	97.61	52,916.56

The total unpaid interest as on 31st December 2019 (including interest not provided in the books) amounts to Rs.41,322.36lakhs.

Further, the holding Company has not provided for interest payable on public deposits which works out to Rs.1,780.44 lakhs for the current period ended 31st December 2019 (Cumulative upto 31st December 2019 –Rs. 19,563.90 lakhs). Such un-provided interest payable has been worked out on the outstanding public deposits in the books of account, without considering the unidentified repayments made by the Hon'ble Supreme Court as mentioned in Para 9(b) above.

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 Company had 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 to us, the Company has made best possible efforts for sale of the land parcels earmarked for repayment of the deposits but such sale process has not yielded any results.

Considering that the erstwhile management had 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 had filed prosecution against the holding Company and its erstwhile management before the Ld. Special Court, Dwarka District Court, New Delhi. However, the Hon'ble High Court of Delhi had stayed the said prosecution, and had subsequently vide its order dated 22.01.2019, allowed the petitions filed by the holding Company and erstwhile management by setting aside & vacating the impugned Dwarka District court order dated 20.9.2016 with regard to summoning of the erstwhile management.

Few depositors had filed an intervention application before the Hon'ble Supreme Court in the pending bail matter of the erstwhile Managing Directors of the holding Company. Considering their application, the Hon'ble Supreme Court had, vide its order dated 30.10.2017, directed an amicus curiae to create a portal where the depositors could 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.

Subsequent to the new Board of Directors taking over the management, a resolution framework has been submitted to the Hon'ble Supreme Court by the Company, as mentioned in Para 5 above, for addressing the matters of home buyers, fixed deposit holders and others. At present the resolution framework is under the consideration of the Hon'ble Supreme Court. The final quantum of liability of these cases can be ascertained only upon the final decision by the Hon'ble Supreme Court.

Besides, the impact of non-provision of interest payable on public deposits of Rs.1,780.44lakhs for the quarter ended 31st December 2019 on the profit and loss, we are unable to evaluate the ultimate likelihood of penalties/ strictures or further liabilities, if any on the Company. Accordingly, impact, if any, of the indeterminate liabilities on these unaudited consolidated financial results is currently not ascertainable, and hence we are unable to express a conclusion on this matter.

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

The Public Deposits are due to be paid but due to liquidity situation could not be paid. As rightly stated by the

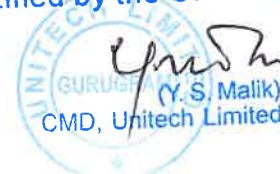
As certified by the C. F. O.

(Y. S. Malik)
CMD, Unitech Limited

	auditors the matter of Depositors has been referred in the Resolution Framework and the Company shall abide the decision of the Hon'ble Court in this regard
f)	<p>Advances amounting to Rs. 49,849.90 lakhs(net of provision for doubtful advances) (previous year ended 31st March, 2019 - Rs.57,544.17lakhs(net of provision for doubtful advances)) are outstanding in respect of advances for purchase of land, projects pending commencement, joint ventures and collaborators which, as represented by the management, have been given in the normal course of business to land owning companies, collaborators, projects and for purchase of land. As per information made available to us and explanations given to us Rs. Nil had been recovered / Rs.3,750.00 lakhs has been provided for doubtful advances during the current quarter.</p> <p>We are unable to ascertain whether all the remaining outstanding advances, mentioned above, are fully recoverable/adjustable, since the said outstanding balances are outstanding/remained unadjusted for a long period of time, and further, in our opinion, neither the amounts recovered nor rate of recovery of such long outstanding amounts in the previous years & current period, give an indication that all of the remaining outstanding amounts may be fully recoverable; consequently, we are unable to ascertain whether all of the remaining balances as at 31st December 2019 are fully recoverable. Accordingly, we are unable to ascertain or comment upon the impact, if any, on the loss or on the reserves or on value of asset, that may arise in case any of these remaining advances are subsequently determined to be doubtful of recovery, and hence we are unable to express a conclusion on this matter.</p> <p>The management, in response of the above qualification, states the following:-</p> <p>Advances for the purchase of land, projects pending commencement and to joint ventures and collaborators have been stated to have been given in the normal course of business to land owning companies, collaborators, projects and for purchase of land. The new management in pursuit to identify and recover the advances made by the earlier management has sought the co-operation from the erstwhile chairman and managing directors. The response of the erstwhile chairman and managing directors is awaited and till then it would not be prudent on the part of the new management to diminish the value of these advances.</p>
g)	<p>There have been delays in the payment of dues of non-convertible debentures, term loans & working capital loans (including principal, interest and/or other charges as the case may be) to the lenders of the Company who have taken action against the Company for recovery of their dues and the total of such outstandings amount to Rs.255,641.21 lakhs. 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 on the corresponding loans and also unable to evaluate the ultimate likelihood of penalties/ strictures or further liabilities; and hence we are unable to express a conclusion on this matter.</p> <p>The management, in response of the above qualification, states the following:-</p> <p>The amount as has been 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. The matter has already been referred in the resolution framework and the final payment for principal and/or interest shall be made in accordance with the decisions of the Hon'ble Supreme Court in this regard</p>
h)	<p><u>Material Uncertainty Related to Going Concern</u></p> <p>The management has prepared these unaudited consolidated financial results on a going concern basis, notwithstanding the fact that, the Company has incurred losses, and has challenges in meeting its operational obligations, servicing its current liabilities including bank loans and public deposits. The Company also has various litigation matters which are pending before different forums, and various projects of the Company have stalled/slowed down.</p> <p>As mentioned earlier, subsequent to the new Board of Directors taking over the management, a Resolution Framework has been submitted to the Hon'ble Supreme Court by the Company, as mentioned in Para 2 above, wherein the Company has requested the Hon'ble Supreme Court to grant numerous reliefs so that the Company is able to meet its operational obligations and settle its liabilities. The Board has also submitted in the RF that on the</p>



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	<p>basis of review of records and finances of Unitech group as currently available, it appears that Unitech Group has significant negative net worth and may not be able to attract a resolution/ settlement under the Insolvency and Bankruptcy Code (IBC).At present the resolution framework is under the consideration of the Hon'ble Supreme Court.</p> <p>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, and also on the final decision of the Hon'ble Supreme Court on the Resolution Framework.</p> <p>Considering the above, we are unable to express a conclusion on this matter.</p> <p>The management, in response of the above qualification, states the following:-</p> <p>The management has duly stated its position in the resolution framework of the company</p>
VI	The figures of previous year have been re-grouped/re-arranged wherever considered necessary for the purpose of comparison.

Place: Gurugram
Dated: 9th November 2020



For Unitech Limited

As certified by the C. F. O.

Yudhvir Singh Malik
Chairman & Managing Director
(Y. S. Malik)
CMD, Unitech Limited