UNITECH LIMITED

CIN: L74899DL1971PLC009720

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

Statement of Standalone Results

for the Quarter & Year Ended March 31, 2018

(Rs. in Lacs except EPS)

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Audited	Unaudited	Audited	Audited	Audited
I	Revenue from Operation	75,333.88	37,250.25	26,440.74	149,249.88	88,934.42
II	Other Income	(8.86)	(13,364.04)	6,627.73	3,197.95	26,574.64
III	**Total Income (I+II)**	75,325.02	23,886.20	33,068.47	152,447.83	115,509.06
IV	**Expenses**					
	Real estate, Construction and Related Expenses	49,958.73	20,787.57	16,103.82	103,547.12	93,616.28
	Changes in Inventories of finished properties, land, land development right and work in progress	15,625.51	19.47	394.48	15,727.42	2,999.29
	Employee Benefits Expense	1,518.49	1,755.11	1,936.45	6,943.37	8,697.66
	Finance Costs	684.86	6,540.05	8,146.53	24,160.98	34,666.55
	Depreciation and Amortisation Expense	82.84	54.54	98.72	326.05	394.01
	Other expenses	20,368.98	395.05	939.57	21,841.60	3,155.58
	Total Expenses (IV)	88,239.41	29,551.77	27,619.58	172,546.54	143,529.37
V	**Profit/(Loss) from Operations before Exceptional Items & Tax (III-IV)**	(12,914.39)	(5,665.57)	5,448.90	(20,098.71)	(28,020.31)
VI	Exceptional items	6,086.09	-	-	6,086.09	-
VII	**Profit/(Loss) before Tax (V-VI)**	(19,000.48)	(5,665.57)	5,448.90	(26,184.80)	(28,020.31)
VIII	Tax Expense					
	(a) Current Tax					
	Current Year	-	-	905.00	-	-
	Less : MAT credit entitlement	-	-	(905.00)	-	-
	Earlier Years	(2,578.93)	-	-	(2,578.93)	-
	(b) Deferred Tax	(125.72)	1.24	1,853.44	(637.88)	(8,931.69)
IX	**Net Profit from Ordinary Activities after tax (VII-VIII)**	(16,295.84)	(5,666.82)	3,595.46	(22,967.99)	(19,088.62)
X	Less : Extraordinary items (Net of Tax Expense)	-	-	-	-	-
XI	**Net Profit for the Year (IX-X)**	(16,295.84)	(5,666.82)	3,595.46	(22,967.99)	(19,088.62)
	Other Comprehensive Income (net of tax)					
XII	Items that will not be classified to profit & loss (Net of taxes)	(2,241.48)	(8.76)	(11.23)	(2,163.10)	1,477.52
XIII	**Total Comprehensive Income (XI+XII)**	(18,537.31)	(5,675.57)	3,584.23	(25,131.10)	(17,611.10)
XIV	Other Equity excluding Revaluation Reserves				758,738.79	783,869.88
XV	Paid-up equity share capital	52,326.02	52,326.02	52,326.02	52,326.02	52,326.02
	(Face Value - Rs. 2 per share)					
XVI	**Earning Per share (EPS) (Before Extraordinary Items)**					
	(of Rs. 2 each) *(Not Annualised)					
	Basic and Diluted (Rs.)	(0.71)*	(0.02)*	0.83*	(0.96)	(0.73)
XVII	**Earning Per share (EPS) (After Extraordinary Items)**					
	(of Rs.2 each) *(Not Annualised)					
	Basic and Diluted (Rs.)	(0.71)*	(0.02)*	0.83*	(0.96)	(0.73)

Unitech Limited

CIN: L74899DL1971PLC009720

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

Standalone Statement of Assets & Liabilities

Sr.No.	Particulars	As at March 31, 2018	As at March 31, 2017
			(Rs. in Lacs)
A	**Assets**		
1	**Non Current assets**		
	Property ,Plant and Equipment	3,321.11	3,471.53
	Capital Work in Progress	1,665.19	1,665.19
	Investment property	-	14,036.43
	Other Intangible Assets	311.53	486.18
2	**Financial Assets**		
	(i)Investments	259,533.54	267,925.97
	(ii)Loans	4,035.94	3,590.74
	(iii) Others	79.67	70.32
	Deffered Tax Assets (Net)	20,340.27	19,091.36
	Other non current Assets	32.60	35.25
	Total - Non Current Assets	289,319.83	310,372.97
3	**Current Assets**		
	Inventories	66,782.76	80,792.10
4	**Financial Assets**		
	(i) Investments	12.09	11.46
	(ii) Trade Receivable	91,507.99	119,614.56
	(iii)Cash and Cash equivalents	1,590.51	2,298.31
	(iv) Bank balance other than (ii) above	771.46	300.74
	(v) Loans	487,374.32	513,200.35
	(vi) others	31,243.92	46,161.82
	Current Tax assets (Net)	14,699.89	9,437.90
	Other Current Assets	942,781.08	899,064.46
	Total - Current Assets	1,636,764.01	1,670,881.70
	Total - Assets	**1,926,083.83**	**1,981,254.67**
B	**EQUITY AND LIABILITIES**		
1	Equity		
	Equity Share Capital	52,326.02	52,326.02
	Other Equity	758,738.79	783,869.88
	Total - Equity	**811,064.80**	**836,195.90**
2	**Non Current Liabilities**		
	Financial Liabilities		
	(i) Borrowing	187,441.02	154,493.76
	(ii) Trade payables		-
	(ii) Other Financial Liabilities	3.00	2.79
	Provisions	1,632.97	1,954.30
	Deffered Tax Liabilities	-	-
	Other non current Liabilities	-	5,156.84
	Total - Non Current Liabilities	**189,076.98**	**161,607.69**
3	**Current Liabilities**		
	Financial Liabilities		
	(i)Borrowings	171,249.92	149,064.14
	(ii) Trade payables	67,600.69	76,983.36
	(iii) Other Financial Liabilities	267,744.43	338,716.41
	Other Current Liabilities	419,019.72	418,251.65
	Provisions	327.31	435.52
	Current Tax Liabilities (Net)	-	-
	Total - Current Liabilities	**925,942.06**	**983,451.08**
	Total - Equity and Liabilities	**1,926,083.84**	**1,981,254.67**

(4)

RC

Notes:

I	The above Financial Results (prepared on standalone basis) have been reviewed by the Audit Committee and approved by the Board of Directors of Unitech Limited at their respective meetings held on June 11, 2018.
II	The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the current financial year
III	The company is primarily in the business of real estate development and related activities including construction, consultancy and rentals etc. Further most of the business conducted is within the geographical boundaries of India. Accordingly, the company's business activities primarily represent a single business segment and the company's operations in India represent a single geographical segment.
IV	The Company has adopted Indian Accounting Standards ("Ind AS") from April 01, 2016 as prescribed under Section 133 of the Companies Act 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles as stated therein.
V	The report of statutory auditor on the financial statements of Unitech Limited for the financial year ended March 31, 2018, contains a qualification which is being summarised below:-
a)	Advances amounting to Rs. 63,359.64 lacs (previous year ended 31st March, 2017 Rs. 64,912.41 lacs)are outstanding in respect of advances for purchase of land, projectspending 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.1552.77 lacs (net)had been recovered / adjusted 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 accrual for diminution of advances is necessary as at 31stMarch 2018. 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 said 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 that, neither the amounts recovered nor rate of recovery of such long outstanding amounts in the previous years& current year, despite confirmations from some parties, clearly indicate, in our opinion, 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 31stMarch 2018 are fully recoverable. Accordingly, we are unable to ascertain the impact, if any, that may arise in case any of these remaining advances are subsequently determined to be doubtful of recovery. This matter was also qualified by us in our report on the standalone Ind AS financial statements for the year ended 31st March 2017. The management, in response of the above qualification, states the following:- Advances for the purchase of land, projects pending commencement and to joint ventures and collaborators have been given in the normal course of business to land owning companies,

	collaborators, projects and for purchase of land. The management of the company based on the internal assessment and evaluations considers that these advances, which are in the normal course of business are recoverable/adjustable and that no provision other than those already accounted for is necessary at this stage. The management is confident of recovering/ appropriately adjusting the balance in due course.
b)	According to information available and explanations obtained, in respect of non-current investments (Long term investments) in, and loans and advances given to, some subsidiaries/a party ("the parties"), it has been observed from the perusal of the financial statements of these parties that the said parties have accumulated losses and their respective net worth have been fully/substantially eroded. Further, some of these partieshave incurred net loss during the current year and previous year(s) and, that the current liabilities of these parties exceeded their respective current assets as at 31stMarch 2018. These conditions, along with absence of clear indications or plans for revival, in our opinion, indicate that there is significant uncertainty and doubt about the recovery of the loans and advances from these parties. Further, there is a clear indication that there is a decline in the carrying amount of these investments which is other than temporary;the Company, during the year has charged to the Statement of Profit & Loss an amount of Rs.6086.09 lacs on account of impairment of investment in its subsidiary company viz. Nuwell Ltd. Consequently, in terms of stated accounting policies and applicable accounting standards, diminution in the value of these investments which is other than temporary is estimated to be Rs.39,183.04 lacs upto31stMarch2018(Previous year ended 31st March, 2017 - Rs.23,431.07 lacs) and an accrual for diminution of doubtful debts and advances amounting to Rs.32,995.94 lacs upto 31stMarch 2018 (Previous year ended 31st March, 2017 - Rs.32,974.92 lacs) needsto be accounted for. Management is however of the firm view that the diminution is only temporary and that sufficient efforts are being undertaken to revive the said parties. However, in the absence of significant developments/movements in the operations of theseparties, and any adjustment for diminution of carrying value of such investments in this regard, in our opinion, management has not adequately or sufficiently accounted for the imminent diminution. Had management accounted for such diminution, the lossfor the year ended 31stMarch 2018would have been higher by Rs.72,178.98 lacs (Previous year ended 31st March, 2017- Rs. 56,405.99 lacs).Our opinion on the standalone Ind AS financial statements for the year ended 31st March, 2017 was also qualified in respect of this matter. The management, in response of the above qualification, states the following:- Management has evaluated this matter and is of the firm view that the diminution, if any, even if it exists is only temporary and that sufficient efforts are being undertaken to revive the said subsidiaries in the foreseeable future so as to recover carrying value of the investment. Further, management believes that the loans and advances given to these companies are considered good and recoverable based on the future projects in these subsidiaries and accordingly no provision/impairment other than those already accounted for, has been considered necessary.
c)	An amount of Rs. 91,507.99lacsis outstanding as at 31stMarch, 2018 (Previous year ended 31st March 2017 – Rs.119,614.56 lacs) which is comprised of trade receivables pertaining to sale of land, properties, trading goods, finished goods, commercial plots/properties of various kinds. Some of these balances amounting to Rs.18,572.28 lacsas at 31stMarch 2018(Previous year ended 31st March 2017 – Rs.22,798.63 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 customerswho have contravened the contractual terms. The management has

RC

	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 31stMarch 2018. 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 31stMarch 2018 are outstanding/remained unadjusted for a long period of time. Based on our assessment and audit procedures performed, in our opinion, trade receivables amounting to Rs. 18,572.28 lacsare doubtful of recovery and consequently, management ought to provide/accrue for the diminution for these balances. Had the management provided/accrued for the diminution in value of the said trade receivables, the carrying value of the trade receivables would have been lower by Rs. 18,572.28 lacs and the lossfor the year ended 31stMarch 2018 would have been higherby Rs.18,572.28 lacs.Our opinion on the standalone Ind AS financial statements for the year ended 31st March, 2017 was also 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, 2018. They are confident of appropriately adjusting / recovering significant portions of the remaining outstanding balance of such amounts in the foreseeable future.
d)	The Company has received a 'cancellation of lease deed' notice from Greater Noida Industrial Development Authority ("GNIDA") dated 18 November 2015. As per the Notice, GNIDA has cancelled the lease deed in respect of Residential/Group Housing plots on account of non-implementation of the project and non-payment of various dues amounting to Rs.105,483.26 lacs. As per the notice, and as per the relevant clause of the bye-laws/contractual arrangement with the Company, 25% of the total dues amounting to Rs.13,893.42 lacs has been forfeited out of the total amount paid till date. The Company has incurred total expenditure of Rs.213,911.06 lacs [comprising of (i) the amounts paid under the contract/bye-laws of Rs.34,221.90 lacs, (ii) the balance portions of the total amounts payable, including contractual interest accrued till 31st March 2016, of Rs.99,091.90 lacs; and (iii) other construction costs amounting to Rs.80,597.27 lacs]. The Company is also carrying a corresponding liability of Rs.99,091.90 lacs representing the total amounts payable to GNIDA including interest accrued and due of Rs. 66,692.05 lacs. The said land is also mortgaged and the 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 SARFEASI Act and have also taken notional possession of this land. Further, the Company has contractually entered into agreements to sell with 397 buyers and has also received advances from such buyers amounting to Rs. 9,158.39 lacs (net of repayment). No contract revenue has been recognized on this project. Management has written a letter to GNIDA dated 1st December 2015, wherein it has stated that the cancellation of the lease deed is wrong, unjust and arbitrary. Further, management has also

RC

	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 Company in the allotted land, by allotting plots to different allottees, in the interest of such allottees, GNIDA may 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 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 standalone Ind AS financial results of the Company. Our opinion on the standalone Ind AS financial statements for the year ended 31stMarch, 2017 was also qualified in respect of this matter. As per management, the 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. The management, in response of the above qualification, states the following:- Management has written a letter to GNIDA dated 1 December 2015, wherein management has stated that the cancellation of the lease deed is wrong, unjust and arbitrary. 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 Company in the allotted land, by allotting plots to different allottees, in the interest of such allottees, GNIDA may allow the Company to retain an area of approximately 25 acres out of the total allotted land of approx. 100 acres and that the amount paid by the 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. The company has been informed during the meeting held with GNIIDA officials on 30.05.2017, that the authority is revoking the cancellation of the lease deed of the said plot, and shall reinstate the land position as it was before.
e)	The 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, 2017 (Rs. lacs)	Principal paid during the current year (Rs lacs)	Unpaid matured deposits (Principal amount) as at 31st March 2018 (Rs lacs)
A)	Deposits that have matured on or before March 31, 2017	54,766.35	1,612.02	53,154.33

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

RC

	New Delhi) seeking extension of time for repayment of the outstanding public deposits (including interest thereon) as is considered reasonable. The 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 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 has stayed the said prosecution. Few depositors filed an intervention application before the Hon'ble Supreme Court in the pending bail matter of the Managing Directors of the 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 has 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. 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 above, on the standalone Ind AS financial results is currently not ascertainable. Our opinion on the standalone Ind AS financial statements for the year ended 31st March, 2017 was also qualified in respect of this matter. Further, the Company has not provided for interest payable on public deposits which works out to Rs. 7,132.03 lacs for the current financial year. Had the Company accounted for such interest, the loss for the year ended 31st March 2018 would have been higher by Rs.7,132.03 lacs. The management, in response of the above qualification, states the following:- The company and management is working towards the resolution of the delays in repayment of the public deposits. As the matter is now before various forums appropriate actions will be taken to comply with the orders and directions passed.
f)	The Hon'ble Supreme Court has 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

R.C.

	money they have paid to the Company/companies in the group, for purchasing residential units or (ii) possession of house. By the stipulated time, the home buyers have preferred their options on the web portal created by the *amicus curiae*. Based on data submitted on the web portal, the Company on 27.10.2017 had placed the following submissions to the Hon'ble Supreme Court. **Home Buyers Seeking-** / **Number of home-buyers** / **Amount paid by home buyers (Rs – lacs)** Possession sought through web portal / 4,638 / 325,059 Customers not before any forum – but seeking possesion / 5,597 / 198,205 Refunds sought through web portal / 6,065 / 258,436 The portal has since been closed on 12.04.2018 on the directions of the Hon'ble Supreme Court. We have been informed by the Company that few home buyers who opted for refund are now seeking possession of their house. We have also been informed that the Company is trying to meet its construction objectives and has put specific plans to complete the construction in a time bound manner. In the overall scenario, especially where the amount sought by home buyers as refund is not adjudicated, we are unable to evaluate the ultimate likelihood of reversals of revenues & costs and/or further liabilities, if any on the Company, in case the monies have to be refunded to home buyers, and no such impact has been taken in the financial statements of the Company for the year. The management, in response of the above qualification, states the following:- The company and management is working towards complying to the directions of the Hon'ble Supreme Court as well as to work towards resolution of the greivances. The company has enhanced the pace of construction in most of it's projects. As the projects are seeing activity many of the customers who earlier sought refunds are now seeking possession and amending their petition accordingly. This is expected to reduce the burden and cash flow needed towards refunds. As the payments are also made towards refund further unsold inventory is getting created which can be utilized for the projects
VI	The figures of previous year have been re-grouped/re-arranged wherever considered necessary for the purpose of comparison.

Home Buyers Seeking-	Number of home-buyers	Amount paid by home buyers (Rs – lacs)
Possession sought through web portal	4,638	325,059
Customers not before any forum – but seeking possesion	5,597	198,205
Refunds sought through web portal	6,065	258,436

Place: New Delhi

Dated: June 11, 2018

For **Unitech Limited**

Ramesh Chandra
Chairman