

● IMPACT OF FALL IN PRODUCTION, ROBUST DEMAND

Spice prices shoot up in last one year

All major spices except turmeric see double-digit inflation in August, prices seen rising further

SANDIP DAS, NAYAN DAVE & GEETA NAIR
New Delhi/Ahmedabad/Pune, September 15

THERE HAS BEEN A double-digit increase in mandi prices of spices, including cumin (*jeera*), coriander (*dhania*), black pepper and dry chilli, in the last one year, due to decline in production amid robust domestic demand.

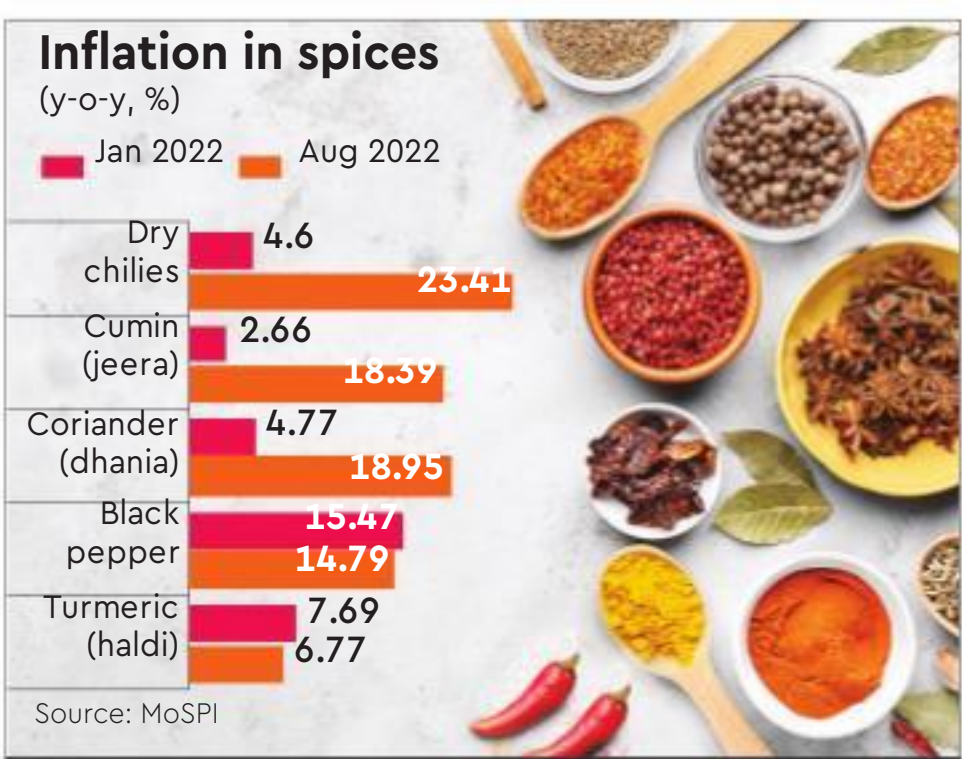
With the exception of turmeric, for which inflation was 6.7% on year in August, all other spice varieties reported double-digit inflation — dry chillies (23.4%), coriander

(18.9%), cumin (18.3%) and black pepper (14.7%).

Traders say while turmeric prices have stabilised since its peak earlier this year, mandi prices of all other spice varieties are expected to rise further, because of supply constraints caused by lower production and robust global demand driving exports.

The mandi price of cumin is currently ruling around ₹4,700 per 20 kg bag at Unjha mandi, Gujarat, the world's largest market of the spice, against a price range of around ₹2,400-2,600 per 20 kg bag that prevailed a year ago.

“We are expecting the prices to further surge and touch ₹5,000 per 20-kg bag by November, as there is a robust demand for quality cumin in the export market, while the domestic demand is encouraging,” Arvind Patel, vice-president of Unjha Agriculture Market Produce Committee, told *FE*. In the current 2021-22 sea-



son, cumin production is estimated around 5 million bags (55 kg per bag) as against over 8 million bags in 2020-21.

As the cumin crop is highly sensitive to weather and disease, a section of farmers in the key producing states of Rajasthan and Gujarat has switched to other crops such as cotton, mustard seed, ground-

nut, soyabean and coriander seed, thus reducing the production, Patel said.

Dipak Sanghvi, MD, Nilon's, a major manufacturer of pickle and spices, said the last year saw spice prices rise significantly, with an around 14% rise in prices of packaged spices. The price of raw chillies has doubled from ₹120 to ₹240

per kg during December 2021-September 2022, while coriander prices rose from ₹75-80 to ₹120 per kg in the same period. According to Sanghvi, black cardamom prices rose from ₹350 to ₹650-700 per kg, while green cardamom prices rose from ₹400 to ₹650-700 kg since the beginning of 2022. “Food ingredients coming from China, such as bonding agents and emulsifiers, too had gone up substantially due to Covid disruption and shutdowns,” he said.

In the case of turmeric, mandi prices have been prevailing around ₹70-75 a kg currently, compared to around ₹105-₹107 a kg that prevailed in January.

“Turmeric mandi prices spiked earlier this year because of reports of possible crop losses. But prices have eased since April after a good harvest,” Ankit Agarwal, director, Amar Agarwal Foods, a Tamil Nadu-based turmeric trader, said.

Big jump expected in milk procured by farmer groups

SANDIP DAS
New Delhi, September 15

THE VALUE OF milk procurement by milk producer companies (MPCs) is estimated to touch nearly ₹18,000 crore per annum in five years, from ₹5,575 crore in 2021-22, the National Dairy Development Board (NDDB) has said.

Currently, there are 20 farmer-owned MPCs promoted by NDDB Dairy Services (NDS), which procure 4 million litres of milk daily. “In the next five years, daily milk procurement by MPCs will increase to 10 million litres,” Meenesh Shah, chairman, NDDB, said.

Around 0.75 million farmers have created 20 MPCs, in which more than 70% are women. These farmer-owned organisations return up to 85% of consumer money realised to members, including over 0.5 million female members.



The ownership of 12 MPCs is with women members.

Farmers associated with MPCs have pooled in over ₹175 crore in the last 10 years and collectively have over ₹400 crore as reserves and surplus, Shah said.

Shah said MPCs are taking forward the legacy of the White Revolution created by the NDDB, which has conceptualised the creation of these farmers' organisations and NDS for facilitation, and technical and organisational assistance.

“The startup concept may have come recently but the MPCs are the real startups working since long,” Shah said at the IDF World Dairy Summit 2022 being held in Greater Noida during September 12-15.

He said the NDDB will help set up MPCs in every aspiring district, and the cooperatives and MPCs would cover the entire length and breadth of the nation.

Shreeja Milk Producer Company has the distinction of being the world's largest all-women MPC, in Tirupati, according to an NDDB statement.

While the organised private sector is growing steadily, it is important — in the interest of livelihoods and inclusiveness — that cooperatives and other producer organisations such as MPCs continue to handle at least 50% of the milk handled by the organised sector, NDS stated.

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Extract of Un-Audited Consolidated Financial Results for the Quarter Ended 30th June, 2021

SI No.

Particulars

Quarter Ended 30.06.2021 (Un-audited)

Quarter Ended 30.06.2020 (Un-audited)

Year Ended 31.03.2021 (Audited)

1

Total Income from Operations

7,092.67

11,074.00

56,115.61

2

Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items)

(24,010.23)

(23,106.46)

(97,823.74)

3

Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)

(24,010.23)

(54,185.93)

(130,781.97)

4

Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)

(24,053.56)

(79,129.05)

(156,243.00)

5

Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]

(23,531.07)

(78,771.66)

(158,824.22)

6

Equity Share Capital

52,326.02

52,326.02

52,326.02

7

Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year

-

-

251,246.16

8

Earnings Per Share (of Rs. 2/- each) (for continuing and discontinued operations) Basic and Diluted (Rs.) *(Not Annualized)

(0.90)*

(3.01)*

(6.10)

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 14th September, 2022.

II.

The Report of Statutory auditors on the considered financial statements of Unitech Limited for the period ended June 30, 2021, contains qualifications which are being summarized below:

a)

The financial results of 218 subsidiaries (including foreign subsidiaries) included in the Unaudited Consolidated Financial Results, whose unaudited financial results reflects total revenue of Rs. 5,869.88 Lakhs, net loss after tax of Rs. 1,377.67 Lakhs and total comprehensive loss of Rs. 1,358.58 Lakhs for the quarter ended 30th June, 2021. The management of Holding Company is in process of appointing auditors for these subsidiaries. As on the date of the report, for 101 Indian subsidiaries companies, auditors have been appointed and the appointed auditors are in the process of conducting their audit exercise. For remaining subsidiaries, management is in the process of appointing auditors. Also to mention here that 8 subsidiaries have less than the minimum number of directors as required under the provisions of the Companies Act, 2013. For the purpose of consolidation, management has considered unaudited accounts available with them for these subsidiaries. Also included in details of subsidiaries companies above are 32 foreign subsidiaries for which Holding Company is not having updated books of accounts available for these foreign subsidiaries and for the purpose of preparation of these Unaudited Consolidated Financial Results, last audited balance sheets, as available with the Holding Company, were used for these foreign subsidiaries. These last available audited balance sheets pertain to the financial year ending 31st March, 2017 (for 26 companies), 31st March, 2016 (for 1 company) and 31st March, 2010 (for 1 company). In case of 4 companies, last available unaudited details are used for preparation of these Unaudited Consolidated Financial Results.

Further, no details are available with the Holding Company for 4 associates and 17 joint ventures for quarter ending 30th June, 2021.

Further, at the MCA 21 portal of Ministry of Corporate Affairs "MCA", the status of 8 subsidiaries as reflected as struck off. Based on the explanation provided by management, they are in the process of initiating action to activate these companies.

b)

Unitech Limited ("the Holding Company") held its annual general meeting on 7th July, 2022 which was due on 30th November, 2021. The Holding Company had not applied for any extension for conducting annual general meeting to the Registrar of Companies, NCT of Delhi & Haryana. The Holding Company is in the process of estimation of penalty and other implications due to delay in holding of annual general meeting.

Further, the Holding Company also delayed in filing of its quarterly and annual/year to date results with Security and Exchange Board of India "SEBI". The Holding Company has not taken any provision related to penalty on account of such delay and management is now planning to seek relief against such penalty from SEBI.

c)

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/ September 10, 2020, and which has been filed with the Hon'ble Supreme Court. Through RF, the holding company has requested the Hon'ble Supreme Court to grant some concessions and reliefs so that the company is able to fulfil its obligations towards the construction of the projects and meet other liabilities.

As the RF has not yet been approved by the Hon'ble Supreme Court, the impact of the proposed reliefs, concessions etc. have not been considered in the books of accounts.

d)

Material uncertainty related to going concern

The Unaudited Consolidated Financial Results wherein the Group has represented that the Unaudited Consolidated Financial Results have been prepared on a going concern basis, notwithstanding the fact that, the Group has incurred losses, and has challenges in meeting its operational obligations, servicing its current liabilities including bank loans and public deposits. The Group also has various litigation matters which are pending before different forums, and various projects of the Group have stalled/slowed down.

These conditions indicate the existence of material uncertainty that may cast significant doubt about Group's ability to continue as a going concern. The appropriateness of assumption of going concern is critically dependent upon the Group'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.

e)

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. 105,483.26 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 Holding Company and, due to default in repayment of these NCDs, the debenture holders have served a notice to the Holding Company under section 13(4) of the SARFAESI Act and have also taken notional possession of this land. The Holding Company had contractually entered into agreements to sell with 352 buyers and has also received advances from such buyers amounting to Rs. 6,682.10 lakhs (net of repayment). No contract revenue has been recognized on this project.

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 Holding Company, an amount of Rs. 7,436.35 lakhs (Rs. 6,682.10 lakhs and interest @ 6% on the principal amount of Rs. 6,682.10 lakhs), out of the monies paid by the Holding Company with the registry of the Hon'ble Supreme Court.

During the year, GNIDA has adjusted Rs. 9,200.00 lakhs of Unitech group's liabilities towards the Holding Company's other projects with GNIDA and forfeited Rs. 13,893.42 lakhs. The Holding Company had paid a sum of Rs. 34,221.90 lakhs, including Rs. 4,934.95 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 Holding Company has, subsequently, shown the amount of Rs. 18,339.80 lakhs as recoverable from GNIDA in its books of accounts including stamp duty of Rs. 4,934.95 lakhs and the said land which is also included in interest capitalised of Rs. 696.84 lakhs.

a) Other construction costs amounting to Rs. 80,575.05 lakhs in respect of the projects to come upon the said land and lease rent paid of which is also included in interest capitalised of Rs. 696.84 lakhs.

b) Deferred liability on account of interest payable to GNIDA appearing in the books of accounts as on 30th June, 2021 amounting to Rs. 2,85,913.67 Lakhs (including Rs. 10,719.70 Lakhs booked on account of interest during the year ended 30th June, 2021). Out of the interest mentioned above Rs. 4,223.59 Lakhs has been capitalised in the books of accounts of the holding company. The same is in contravention of the provisions of Indian Accounting Standards 23 "Borrowing Costs".

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 subjudice.

f)

Confirmations/reconciliations are pending in respect of amounts deposited by the Holding Company with the Hon'ble Supreme Court. As per books of account an amount of Rs. 45,800.63 lakhs deposited with the Hon'ble Supreme Court Registry ("Registry") is outstanding as at 30th June, 2021. Management has received certain details of payments made and monies received in the registry from the Court and is in process of reconciling the same with entries posted in books of accounts. The management has requested the learned amicus curiae to provide the relevant bank statement and balance confirmations. In view of the reconciliation exercise still in process and absence of other statement of transactions and confirmation of balance from the Registry.

g)

Non-current investment and loans

Holding Company has made investments and given loans to its joint ventures, associates and other. Details as on 30th June, 2021 are as follows:-

Particulars

Amount invested

Impairment accounted for till 30.06.2021

Carrying amount

Equity investment - joint ventures

540.40.01

-

540.40.01

Equity investment - associates

2.99.25

-

2.99.25

Equity investment - others

310.40.70

-

310.40.70

Debtenture investment

15.12.18

-

15.12.18

Investment - CIG

254.53.19

-

254.53.19

Corporate guarantees

8.70

-

8.70

Loans to Joint Ventures and Associates

83.81.00

-

83.81.00

Share Application Money

46.50

-

46.50

considering the fact that the accounts of these above mentioned foreign entities are not available with the management and for Indian entities, they are not audited since last 3-4 years plus also taking into accounts the factors such as accumulated losses in above said entities, substantial full erosion of net worth, significant uncertainty on the future of these entities and significant uncertainty on recovery of investments and loans, there are strong indicators of conducting impairment/ expected credit loss assessment for above mentioned investments and loans in accordance with the principles of Indian Accounting Standards 36, "impairment of assets" and Indian Accounting Standards 109 "financial instruments".

Further:-

• Equity investment — others include investment made in M/s Carnoustie Management (India) Private Limited (Carnoustie) of Rs. 310.05.45 lakhs as on 30th June, 2021. Regarding this investment, the Holding Company has already filed an Intervention Application "IA" before Hon'ble Supreme Court of India wherein, the Holding Company has stated that erstwhile management has invested in equity shares of Carnoustie @ Rs. 1,000 — Rs. 1,500 per share including a premium of Rs. 990 — Rs. 1,490 per share. As per IA submitted by the Holding Company, there was no basis available with erstwhile management for such share valuation. Also, there were certain plots allotted to Carnoustie at a price lower than the market rate as on allotment date. Considering the nature of this investment, same is to be valued at fair value through other comprehensive income "FVOCI" as required under Indian Accounting Standards 109 "financial instruments" but the Holding Company has decided to carry investment made in Carnoustie at cost as the matter is subjudice.

• Investment — CIG — The Holding Company made investment of Rs. 254.53.19 lakhs in CIG realty fund for which no details are available with the Holding Company. As explained by management, the Holding Company is planning to file a separate Intervention Application "IA" before Hon'ble Supreme Court of India requesting Hon'ble Court to take up this matter. Management also explained that CIG funds are already under investigation by Enforcement Directorate (ED) and Serious Fraud Investigation Office (SFIO). Considering the nature of this investment, same is to be valued at fair value through other comprehensive income "FVOCI" as required under Indian Accounting Standards 109 "financial instruments" but the Holding Company has decided to carry investment made in CIG funds at cost as the matter is under investigation by various authorities.

h)

Impairment Assessment of Bank and Corporate Guarantees

The holding company is having outstanding bank and corporate guarantee of Rs. 2736.22 31 as per its last audited financials for year ending 31st March, 2021. The company has not conducted any impairment assessment on the same in accordance with the principles of Indian Accounting Standards 109 "financial instruments".

i)

Trade receivables and other financial assets

The Holding Company has trade receivable and other financial assets as on 30th June, 2021 are as follows:-

Particulars

Amount

Provision accounted for till 30.06.2021

Carrying amount

Trade Receivable

76,482.04

32,415.16

44,066.88

Security Deposits

53,057.14

3,124.01

49,933.13

Non-Current Loans and Advances

100.00

-

100.00

Current Loans and Advances

576.24

520.00

56.24

Advances for purchase of Shares

31,079.48

31,079.48

-

Staff Imprest & Advances

112.08

-

112.08

Advances to others

13.08

-

13.08

The Holding company has not assessed loss allowance for expected credit losses on financial assets in accordance with the principles of Indian Accounting Standards AS 109 - "Financial Instruments".

j)

Inventory and project in progress

The Holding Company, as on 30th June, 2021, has shown inventory of Rs. 62,515.58 Lakhs and project in progress "PIP" of Rs. 17,16,748.22 Lakhs. Holding Company is currently carrying these inventory and PIP items at cost which is computed based on percentage of completion method under Indian Accounting Standard 115 "Revenue from Contracts with Customers". In view of the fact that in majority of the projects of the Holding Company, construction and other operational activities are on hold since last 18-60 months, there are high indicators that such inventory and PIP assets should be tested for evaluating their respective net realised value "NRV" in accordance with the requirement of Indian Accounting Standard 2 "inventories".

Further, management is in the process of verification of title documents for land and other immovable assets.

As per the explanation provided by the management, pursuant to the approval of Hon'ble Supreme Court of India, Project Management Consultants (PMCs) have been appointed for the projects for estimation of work done till date, cost to be incurred further to complete the projects and to provide applicable completion timelines. These PMCs have also conducted actual physical assessment of the projects and submitted their reports. Management was earlier of the view that NRV assessment of inventory and PIP can be made only after the appointed PMCs complete their assessment of respective projects and submit their final reports but same is still awaited.

External Confirmation

The Holding company has not initiated the process of external confirmation for outstanding balances of following areas as on 30th June, 2021 are as follow:

Particulars

Amount

Provision accounted for till 30.06.2021

Carrying amount

Trade Receivable

79,964.67

31,521.87

48,442.80

Trade Payable

80,531.32

386.34

80,144.98

Advances received from Customers

11,20,626.96

-

11,20,626.96

Advances to Suppliers

7,283.83

-

7,283.83

Security Deposits

51,104.73

934.04

50,170.69

Loans and advances to Subsidiaries

4,45,457.29

1,588.90

4,43,868.39

Loans to Joint Venture and Associates

8,381.00

-

8,381.00

Other Loans and advances

676.24

520.00

156.24

Advances for purchase of land and project pending commencement

612.87.37

300.00.00

312.87.37

Loans from Subsidiaries, Joint Venture and Associates

75,431.80

-

75,431.80

Security and other deposits payable

42,538.15

-

42,538.15

Staff Imprest

47.47

-

47.47

Inter Corporate Deposits

13,853.66

-

13,853.66

Other Assets

5,743.70

-

5,743.70

The Holding company has expressed its inability to send confirmation requests in respect of above-mentioned areas due to uncertainty about the amount receivable and payable appearing in the books of accounts which are outstanding for significantly long period of time.

Bank confirmations

In respect to confirmations of bank balances, margin money balance and term deposits, the Holding Company has not sent the confirmation requests to any of the banks. In view of non-existence of supporting related to bank balances,

With respect to the loans and borrowing taken by the Holding Company amounting Rs. 2,81,552.31 Lakhs as on 30th June, 2021, no confirmation has been received till date of this report. Interest expense on the said loans is accrued at a provisional rate of interest. Such provisional rate of interest is based on the details available with the Holding Company regarding interest rates charged by banks / financial institutions and the same are 4-5 years old.

i)

The Holding Company is in the process of estimating impact of its contingent liabilities which is subject to the decision of Hon'ble Supreme Court of India on proposed resolution framework submitted by the Group.

ii)

The holding company has made many adjustments in accordance with Indian Accounting Standards applicable to the company as on 31st March, 2020. The holding company is in the process of identifying the impact already incorporated in the books of accounts in previous years.

iii)

Revenue from real estate projects

As per Unaudited Consolidated Financial Results, The Holding Company is accounting for revenue under real estate projects using percentage of completion method (POCM) with an understanding that performance obligations are satisfied over time. Provisions of paragraph 35 of Indian Accounting

Standard 115 "revenue from contracts with customers" specifies that an entity can recognise revenue over time is it satisfies any one of the following criteria:-

• The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs

• The entity's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced

• The entity's performance does not create an asset with an alternative use to the entity and, the entity has an enforceable right to payment for performance completed to date.

On perusal of various agreements entered by the Holding Company with home buyers, it seems that the Holding Company does not satisfies any of the condition specified in paragraph 35 of Indian Accounting Standard 115 "revenue from contracts with customers".

Based on the explanation provided by the management, they are in agreement with our understanding and are in the process of evaluation its impact on the present and earlier presented periods.

iv)

The Holding Company has long outstanding statutory liabilities as on 30th June, 2021, details of which are as follows:-

Nature of dues

Principal amount outstanding (Rs. in lakhs)

Outstanding since

Income tax deducted at source

102,46.88

Financial Year 2014 - 2015

Professional Tax

0.59

Financial Year 2018 - 2019

Provident Fund

24,42.87

Financial Year 2015 – 2016

As per the Unaudited Consolidated Financial Results, Also, with respect to goods and services tax, the holding company has revoked the cancellation of its GST Registration in the state of Haryana, Tamilnadu, Punjab, Kerala, Karnataka and Odisha during the year. The holding company is in discussion with the authorities to release cancellation on its registration numbers in other states and is in process of filing returns with the authorities.

v)

As per the Unaudited Consolidated Financial Results, The Holding Company has failed to repay deposits accepted by it including interest thereon in respect of the following deposits:

Particulars

Unpaid matured deposits (Principal amount) as at 31st March 2021

Principal paid during the current quarter (Rs. Lakhs)

Unpaid matured deposits (Principal amount) as at 30th June 2021 (Rs. Lakhs)

Deposits that have matured on or before March 31, 2017

579,92.40

31.49

579,60.91

The total unpaid interest as on 30th June, 2021 (including interest not provided in the books) amount to Rs. 479.45.55 lakhs.

Further, the Holding Company has not provided for interest payable on public deposits which works out to Rs. 1,678.08 lakhs for the current period ended 30th June 2021 (Cumulative upto 30th June 2021 – Rs. 300.63.84 lakhs).

Besides, the impact of non-provision of interest payable on public deposits of Rs. 1,678.08 lakhs for the quarter ended 30th June 2021 on the profit and loss.

vi)

As per the Unaudited Consolidated Financial Results, there have been delays in the payment of dues of non-convertible debentures, term loans & working capital loans (including principal, interest and/or other charges as the case may be) to the lenders of the Holding company and the total of such outstanding amount to Rs. 5,45,916.72 Lakhs as on 30th June, 2021. The lenders have initiated the action against the Holding company under various acts.

vii)

As per the Unaudited Consolidated Financial Results of the Holding Company as on 30th June, 2021 which contains the details of Intervention Application "IA" before Hon'ble Supreme Court of India wherein, the Holding Company has stated that erstwhile management has invested in the state of Hyderabad through a collaboration agreement with M/s Dandamundi Estate and Mr. D.A. Kumar and deposited an amount of Rs. 481.31.00 lakhs (out of which an amount of Rs. 6,00.00 lakhs got adjusted on account of some dues of M/s Dandamundi Estate). Now the new management, is trying to recover the amounts deposited with M/s Dandamundi Estate and Mr. D.A. Kumar along with interest @ 18% pa and has not created any provision against said deposit in the books of accounts on account.

viii)

The group has goodwill amounting to Rs. 383.80.79 Lakhs appearing in the financial results as on 30th June, 2021 on account of its investment made in subsidiaries. The books of accounts of the subsidiaries are either not available with the Holding Company or if available, they are not audited since last 3-4 years. There are accumulated losses in the subsidiaries and also substantial/ full erosion of net worth and hence the recoverability of goodwill could not be ascertained. These are strong indicators of conducting impairment assessment for Goodwill in accordance with the principles of Indian Accounting Standard 36 – "Impairment of Assets".

ix)

The holding company had entered into Joint Development Agreement with many of the other entities based on which holding company is recognising its proportionate interest in the agreement. As per the terms of the agreement, interest of each party shall be determined in the ratio of their respective shareholding in the respective lands. With respect to these agreements, we have not been provided with relevant documents/ details based on which land ratio/ interest of respective parties are determined.

x)

With respect to opening balances appearing in the books of accounts of the Holding Company as on 01st April, 2021, there is no information/ supporting documents available with the Holding Company related to following accounts:-

• Other comprehensive income / (loss) amounting Rs. (523.31.93) lakhs

• Provision for bad and doubtful debts / trade receivables amounting Rs. 323.73.95 lakhs

• Other loans and advance amounting Rs. 520.00 lakhs

• Trade receivables and advance received from customers amounting Rs. 11930,75.62 Lakhs

• Loans/Advances given to joint ventures and associates amounting to Rs. 83.81.00 Lakhs

• Loans taken from joint ventures and associates amounting Rs. 154.55.39 Lakhs

• Advance for purchase of shares amounting Rs. 310.79.48 Lakhs

• Expenses payable amounting Rs. 51,612.66 Lakhs

• Current Tax Assets amounting to Rs. 3004.64 Lakhs

• Deferred Liability amounting Rs. 2,36,049.12 Lakhs

• Advance given for purchase of land amounting Rs. 61,287.37 Lakhs and its Ind AS adjustments amounting to Rs. 43.65.00 Lakhs

• Provision for doubtful advance given for purchase of land amounting Rs. 30,000.00 Lakhs

• Investment in CIG Funds (Ind AS Adjustments) amounting to Rs. 9.60.83 Lakhs.

• Security Deposits receivables (Ind AS Adjustments) amounting to Rs. 2,867.51 Lakhs

• Prepaid Expenses (Ind AS Adjustments) amounting to Rs. 17.84 Lakhs.

• Term loans from bank and Financial Institution (Ind AS Adjustments) amounting to Rs. 63.93 Lakhs.

• Security Deposit payable (Ind AS Adjustments) amounting to Rs. 13.67 Lakhs.

• Statutory Dues (Ind AS Adjustments) amounting to Rs. 8.06 Lakhs

• Other Payables (Ind AS Adjustments) amounting to Rs. 121.85.67 Lakhs

• Advance from Customers (Ind AS Adjustments) amounting to Rs. 121.70.42 Lakhs

xi)

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 Orux City 1 (a company owned by Lehman Bros.) in Kerush 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. 224,085.59 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 Holding company is required to make the aforesaid investment into Kerrush Investments Ltd. (Mauritius). The decree of the aforesaid amount against the Holding company is pending for execution.

xii)

A forensic audit of the Holding 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 Holding Company or its Board of Directors; hence impact of observations in the forensic audit report can be ascertained only after the same is obtained.

xiii)

We did not audit the financial statements/information of Libya branch office, included in the Consolidated financial statements of the Holding Company, whose financial statements/information reflect total assets of Rs. 13,28.47 lakhs (Previous year 2020-21 Rs. 13,28.47) lakhs as at 30th June, 2021 and total revenues of Rs. NIL (Previous year Rs. NIL) for the year ended on that date, as considered in the Consolidated financial statements and described above. The company has also made provision against all assets of Rs. 13,28.47 Lakhs (Previous year 2020-21 Rs. 13,28.47) Lakhs). The financial statements/information of this branch have not yet been audited by the branch auditor due to the adverse political situation prevailing in Libya.

The holding company has also not applied for necessary approvals from AD category – 1 bank to write off all the assets and write back all the liabilities in the books of accounts

xiv)

As per the unaudited consolidated Financial Results, the company has shown income from maintenance charges amounting to Rs. 757.29 Lakhs during the year ended 30th June, 2021.

Key Standalone Financials are as follows:

SI No.

Particulars

Quarter Ended 30.06.2021 (Un-audited)

Quarter Ended 30.06.2020 (Un-audited)

Year Ended 31.03.2021 (Audited)

1

Income from Operations (Turnover)

1,222.79

2,456.26

9,171.02

2

Profit/(Loss) Before Tax

(22,258.72)

(1,13,854.96)

(172,932.59)

3

Profit/(Loss) After Tax

(22,258.72)

(1,38,566.44)

(197,680.28)

4

Total Comprehensive Income for the period Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)

(22,172.49)

(1,38,563.47)

(197,096.10)

The above is an extract of the detailed format of consolidated Financial Results for quarter June 30, 2021 filed with the stock exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Standalone and Consolidated Financial Results are available on the Stock Exchange websites (www.bseindia.com/www.nseindia.com) and Company's website www.unitechgroup.com.