

G S A & Associates LLP

Chartered Accountants

Independent Auditor's Report on the Quarterly and Year to Date for the year ended 31st March, 2024 Audited Standalone 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

Report on the Audit of Standalone Financial Results

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2020 has, inter alia, given directions that the Board of Directors of Unitech Limited, as existing on that date, be superseded with immediate effect in order to facilitate the taking over of management by the new Board of Directors constituted in terms of the proposal submitted by the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 "UOI". In Compliance of the Direction, new Board of Directors, as appointed by Union Government of India, took charge of office on 21st January, 2020. Subsequently, Resolution Framework (RF) for Unitech group has been prepared by the newly appointed Board of Directors which is approved in the meeting of the Board held on June 17, 2020 with (as amended) and the same has also been filed with the Hon'ble Supreme Court.

Disclaimer of Opinion

We have audited the accompanying Statement of Standalone Financial Results of Unitech Limited ("the Company") for the quarter ended 31st March, 2024 and Year to date results for the period from 1st April, 2023 to 31st March, 2024 ("the statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended ("the Listing Regulations").

Our audit indicates that, because of the substantive nature and significance of the matter described below, we have not been able to obtain sufficient appropriate evidence to provide a basis for expressing an opinion on the statement as to whether these Standalone Financial Results are prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other recognized accounting practices and policies generally accepted in India has disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 (as amended) including the manner in which it is to be disclosed, or that it does not contain any material misstatement.

Basis for Disclaimer of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial

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Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. Because of the significance of the matters described below we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Based on our audit conducted as above, due to the matters stated below of this report, we believe that the accompanying Statement of Standalone Financial Results is not prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard (Ind AS) specified under section 133 of the Act as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and are not disclosing the information required to be disclosed in terms of the Listing Regulations, including the manner in which, it is to be disclosed, or that it contains material misstatement

We draw attention to the followings matters:

- (i) We draw attention to Note no. 6 of the Standalone Financial Results, which have made references to the Resolution Framework (RF) for Unitech group. The 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. Since 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.
- (ii) **Material uncertainty related to going concern**

We draw attention to Note no. 7 of the Standalone Financial Results wherein the management has represented that the Standalone Financial Results have been prepared on a going concern basis, notwithstanding the fact that the Company has eroded its net worth and has incurred losses, both in the current and previous year, and has challenges in meeting its 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 further, various projects of the Company have stalled/ slowed down.

In compliance of the directions of the Hon'ble Supreme Court, as contained in court's order dated 20th January 2020, the appointed Board of Directors has requested the ho'nble Supreme Court to grant certain concessions and reliefs so that the Company is able to fulfill its obligations towards the construction and completion of in-complete projects and meet other liabilities.

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. Also, the Board of Directors are exploring various possible options for completion of ongoing projects and are trying to generate additional possible revenues by construction of new flats.

Considering the above, we are unable to express an opinion on this matter.



- (iii) The Management of the Company has not conducted any impairment assessment for the investments made by the erstwhile management in subsidiary companies, joint venture and associates having aggregate carrying value of Rs. 954,96.43 lakhs, despite of strong indicators existing for impairment assessment, as required by Ind AS 36, 'Impairment of Assets'. In view of non-existence of any impairment study, we are unable to express an opinion upon the adjustments, if any, that may be required to the carrying value of these investments and its consequential impact on the Standalone Financial Statements. (refer Note 8 of the Standalone Financial Results)
- (iv) We have not been provided with sufficient evidence about the recognition of fair value of the estimated loss allowance on loans and advance given by erstwhile management to subsidiary companies, joint ventures and associates amounting to Rs.4461,93.80 lakhs and trade receivables from subsidiary companies, joint ventures and associates amounting to Rs. 45,55.07 lakhs as required by Ind AS 109, 'Financial Instruments'. (refer Note 8 and 16 of the Standalone Financial Results)

We are therefore unable to express an opinion on the recoverability of the loans and trade receivables from subsidiary, joint ventures and associates, fair value of estimated loss allowance on loans and trade receivables given and the consequential impact on the Standalone Financial Statements.

- (v) We draw attention to note 18 of standalone financial results which contains details of corporate and bank guarantees issued by the erstwhile management for its subsidiaries and joint ventures. We have not been provided sufficient evidence regarding recognition of fair value of the estimated loss allowance on corporate and bank guarantee given by erstwhile management on behalf of its subsidiary, joint ventures and associates amounting Rs. 1222,85 lakhs as required by Ind AS 109, 'Financial Instruments'. We are therefore unable to express an opinion on the fair value of estimated loss allowance on corporate and bank guarantee. (refer Note 18 of the Standalone Financial Results)
- (vi) The Management of the Company has not conducted any impairment assessment for the investments made and advances given for purchase of land by the erstwhile management in unrelated companies / entities having aggregate carrying value of Rs. 345,76.40 lakhs and Rs. 312,90.99 lakhs respectively, despite of strong indicators existing for impairment assessment, as required by Ind AS 36, 'Impairment of Assets'. In view of non-existence of any impairment study, we are unable to express an opinion upon the adjustments, if any, that may be required to the carrying value of these investments and its consequential impact on the Standalone Financial Statements. (refer Note 8 of the Standalone Financial Results)
- (vii) We have not been provided with sufficient evidence about the recognition of fair value of the estimated loss allowance on loans given by erstwhile management to unrelated companies / entities amounting to Rs. 60,61.54 lakhs, trade receivables amounting Rs. 410,82.37 lakhs, inter corporate deposit amounting to Rs. 138,53.66 lakhs and security deposits given amounting Rs. 522,98.93 lakhs as required by Ind AS 109, 'Financial Instruments'. We are therefore unable to express an opinion on the recoverability of the loans given, trade receivables and security deposits given from unrelated companies / entities, fair value of estimated loss allowance on loans given, trade receivables and



security deposits given, and the consequential impact on the standalone financial statements. (refer Note 8, 13 and 16 of the Standalone Financial Results)

- (viii) Balance of amounts due to / from trade receivables, trade payables, bank balances, borrowings, advance received from customers, advance to suppliers, security deposits, other loans and advances, advance for purchase of land, inter corporate deposits and other assets are pending for reconciliation / confirmation. The overall impact of the above and the consequential impact of same on Standalone Financial Results are not ascertainable and hence, we are unable to express an opinion on the same. (refer Note 8 and 9 of the Standalone Financial Results)
- (ix) Amount recoverable from GNIDA amounting Rs. 183,39.80 lakhs is subject to confirmation / reconciliation. In view of absence of the reconciliation, we are unable to express an opinion on the consequential impact of same on standalone financial statements. (refer Note 14 of the Standalone Financial Results)
- (x) Variation of Rs. 934.15 lakhs has been observed between balance lying with Supreme Court registry and books of accounts and the same is under reconciliation. In view of absence of the reconciliation, we are unable to express an opinion on the consequential impact of same on standalone financial statements. (refer Note 8 of the Standalone Financial Results)

(xi) Refer note 9 of standalone financial results:-

A) Statutory dues related to Income-tax Act, 1962 amounting Rs. 102,46.88 lakhs, Professional Tax amounting Rs. 0.59 Lakhs, Employees Provident Funds and Miscellaneous Provisions Act, 1952 amounting to Rs. 24,42.87 Lakhs pertaining to the period of erstwhile management, are unpaid since long. In view of non-payment of statutory dues, possibility of levies, some penalties by the respective departments cannot be ruled out. On account of the above, we are unable to express an opinion on the consequential impact of same on standalone financial statements. (refer Note 9 of the Standalone Financial Results)

B) In certain cases, we observed that Tax Deducted at Source (TDS) has not been deducted on estimated liability created by the Company based on memorandum statement of accounts received from lenders other than banks. Same is in contravention of the provisions of chapter XVII of Income-tax Act, 1961 which mandates deduction of tax at source at earlier of booking or payment.

C) Input credit receivable (GST) of Rs. 61,40.53 lakhs is subject to reconciliation with the balance of input credit claimable from GST department (in GST portal). In view of absence of the reconciliation, we are unable to express an opinion on the consequential impact of same on Standalone Financial Statements.

- (xii) In view of the instances of non compliance with certain debt covenants including interest & principal repayment defaults, we would like to draw attention to the fact that the Company has not obtained the balance confirmations on loans from lenders (including non-convertible debentures) amounting to Rs. 9337,02.50 lakhs (including interest accrued of



Rs. 5930,97.85 lakhs). In the absence of adequate and sufficient audit evidence to establish the amounts payable to the lenders, we are unable to express an opinion on the correctness of these amounts reflected in the standalone financial statement and also on their consequential impact including potential tax liabilities. (refer Note 11 of the Standalone Financial Results)

(xiii) Non-compliance of provisions of Indian Accounting Standards “IND AS” as prescribed under Section 133 of the Companies Act, 2013: -

a) Revenue from real estate projects (IND AS 115)

We draw attention to Note no. 8(vii) of the Standalone Financial Results, stating that the 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 whereas, the terms of the agreements entered by the Company with buyers of the property does not satisfy the conditions specified in paragraph 35 of Indian Accounting Standard 115 “revenue from contracts with customers” in all the cases.

b) We draw attention to Note no. 10 of the Standalone Financial Results, The Company has accounted for its investment in one of its subsidiary M/s Unitech Power Transmission Limited, as non-current assets held for sale. Cost of investment as on 31st March, 2024 is Rs. 42,26.26 lakhs.

Non determination of fair value for asset held on sale, as on the date of reporting, is not in compliance with the provisions of Indian Accounting Standard 105 “Non-Current Assets Held for Sale and Discontinued Operations”. Accordingly, we are unable to express an opinion upon the consequential impact, if any, on the carrying value of the asset held for sale and on the reported loss in the standalone financial results.

c) Inventory and project in progress.

1) The management has not conducted any assessment of net realisable value of the inventory amounting Rs. 625,17.96 lakhs which is required as required in paragraph 9 of Indian Accounting Standard 2 “inventories”. (refer Note 8 (iv) of the Standalone Financial Results)

2) Reconciliation of sub-ledger records for advance received from homebuyers and trade receivables is in progress. In view of absence of the reconciliation, we are unable to express an opinion on the consequential impact of same on Standalone Financial Statements.

3) Project wise breakup of expenditure incurred on project covered under “project in progress on which revenue is not recognized” not made available to us. Hence, we are unable to comment upon the accuracy of the amount disclosed thereunder.

4) We draw attention to note no. 16 of the Standalone Financial Statements ‘Other Current Assets’ which include ‘Amount Recoverable from Project in Progress (on which revenue is Recognized)’ wherein no underlying documents for Rs. 107,08.78 lakhs, recognised as profit on sold property by erstwhile management is available for verification. In absence of the same, we are unable to comment on the correctness of the profit recognised on sold property.



In absence thereof, we are unable to express an opinion upon the discrepancies if any and its consequential impact thereof.

- (xiv) We draw attention to Note no. 12 of the Financial Results in respect of default in repayment of public deposits accepted by erstwhile management. As per the financial books, principal amount of deposit accepted for Rs. 534,87.75 lakhs is overdue for repayment. The Company has not created any provision for interest payable during the financial year amounting Rs. 65,26.69 lakhs (accumulated unaccounted interest is Rs. 483,22.14 lakhs). In our opinion, losses of the Company and value of public deposits are understated to extent of Rs. 483,22.14 lakhs.
- (xv) We draw attention to note no 8(iii), the Company has conducted physical verification of its property plant and equipment and the reconciliation of the same with books of accounts is in progress. In absence of the reconciliation, we are unable to comment upon the discrepancy between book record and physical counts, if any and its consequential impact of the financial results.
- (xvi) We draw attention to Note no. 8 (ix) of the Standalone Financial Results, Company has not appointed an internal auditor since financial year 2020-21 till date which is in contravention of the provisions of section 138 of the Companies Act, 2013.
- (xvii) We draw attention to note 22 of standalone financial results which states that the Company has 2,456 litigation pending in Hon'ble Supreme Court of India. Based on the explanation provided by the Company, considering the number of litigations pending, it is not possible for the Company to compute the possible impact of the same. In view of above, we are unable to express an opinion on the accounting of potential liability on account of pending case and completeness of disclosure of contingent liability made by the company in the standalone financial statements.

On all the items mentioned in this para, we had given a disclaimer of opinion on the Standalone Financial Results for the year ended 31st March 2023, 2022 and 2021 in respect of these matters.

Management's Responsibilities for the Standalone Financial Results

This Statement, which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors, and has been approved by them for the issuance. The Statement has been prepared on the basis of the Standalone Financial Results for the year ended 31st March, 2024. This responsibility includes the preparation and presentation of the Standalone Financial Results for the Quarter and Year ended 31st March, 2024 that give a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records,



relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial Results whether the Company has adequate internal financial controls with reference to financial Results in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the Standalone Financial Results including the disclosures, and whether the Annual Standalone Financial Results represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Emphasis of Matter:

We draw attention to Note no. 1 of the accompanying standalone financial results which describes that the audited financial statements for the year ended 31st March 2023 have not been adopted in the Annual General Meeting held on 29th September 2023.

Our opinion is not modified in respect of this matter.

Other Matter:

- (i) We draw attention to Note no. 17 of the Standalone Financial Results, A forensic audit of the Company was conducted as per directions of 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.
- (ii) The statement includes the results for the quarter ended 31st March, 2024 and quarter ended 31st March 2023, being the balancing figures between the audited figures in respect of full financial year and the published unaudited year to date figures upto third quarter of the respective financial year which are subject to limited review by us.

Our opinion is not modified in respect of these matters.

For GSA & Associates LLP
Chartered Accountants
Firm Registration No.: 000257N/ N500339



A handwritten signature in blue ink, appearing to read "Anshu Gupta".

Anshu Gupta
Partner
Membership No: 077891
UDIN – 24077891BKGFDB3707

Place: Gurugram
Date: 28th May, 2024

UNITECH LIMITED

CIN: L74899DL1971PLC009720

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**STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024**

(Rs. in Lakhs except EPS)

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		Audited	Unaudited	Audited	Audited	Audited
1	Income					
	a) Revenue from Operation	11,489.67	1,429.41	535.62	16,192.17	5,365.81
	b) Other Income	1,376.03	820.03	6,442.99	3,064.94	7,847.80
	Total Income	12,865.70	2,249.44	6,978.61	19,257.11	13,213.61
2	Expenses					
	a) Real estate, Construction and Related Expenses including Cost of Land sold	68,696.06	1,071.58	996.56	72,661.10	4,887.77
	b) Employee Benefits Expense	380.08	502.80	787.87	1,729.63	1,640.80
	c) Finance Costs	53,204.85	51,218.72	43,956.78	199,666.72	245,203.81
	d) Depreciation and Amortisation Expense	62.93	63.67	64.51	253.89	251.44
	e) Other Expenses	407.71	278.92	1,278.84	1,214.05	2,150.78
	Total Expenses	122,751.63	53,135.69	47,084.56	275,525.39	254,134.60
3	Profit/ (Loss) before Tax (1-2)	(109,885.93)	(50,886.25)	(40,105.95)	(256,268.28)	(240,920.99)
4	Tax Expenses for the period/ year					
	(a) Current Tax	-	-	-	-	-
	(b) Deferred Tax	-	-	-	-	-
	Total Tax Expenses for the period/ year	-	-	-	-	-
5	Net Profit for the period/ year (3-4)	(109,885.93)	(50,886.25)	(40,105.95)	(256,268.28)	(240,920.99)
6	Other Comprehensive Income / (Loss)					
	(i) Items that will not be reclassified to profit and loss	0.83	(16.01)	9.94	(69.56)	39.90
	Total Other Comprehensive Income / (Loss)	0.83	(16.01)	9.94	(69.56)	39.90
7	Total Comprehensive Income (5+6)	(109,885.10)	(50,902.27)	(40,096.01)	(256,337.84)	(240,881.09)
8	Paid-up Equity Share Capital (Face Value of Rs. 2 per Share)	52,326.02	52,326.02	52,326.02	52,326.02	52,326.02
9	Other Equity					(1,574.75)
10	Earnings per Equity Share					
	(Face Value of Rs. 2 per Share) *(Not annualised)					
	Basic (Rs.)	(4.20)	(1.95)*	(1.53)	(9.80)	(9.21)
	Diluted (Rs.)	(4.20)	(1.95)*	(1.53)	(9.80)	(9.21)



**Notes to the Statement of Standalone Financial Results for the Quarter and
Year ended 31st March, 2024**

1	<p>(i) The Audited Financial Statements of the Company for the year ended 31st March, 2023 were not adopted by the Members of the Company in the Annual General Meeting (AGM) held on 29.09.2023.</p> <p>(ii) The issue about the non-adoption of Audited Financial Statements by the Members of the Company was brought to the notice of the Secretary to Government of India, Ministry of Corporate Affairs by the CMD vide his D.O. Letter dated 03.10.2023, seeking the advice/ directions of the Ministry of Corporate Affairs, being the appointing authority of the Board of Directors, regarding the future course of action that the new Management should take in the given circumstances.</p> <p>(iii) In parallel, the Management also apprised the Hon'ble Supreme Court about the non-adoption of the Audited Financial Statements by the Members of the Company vide ATR-VII dated 05.10.2023.</p> <p>(iv) The issue was discussed in the meeting of the Board of Directors held on 26.10.2023, wherein it was pointed out that there was no provision in the Companies Act, 2013 or SEBI- LODR to deal with such an unprecedented situation.</p> <p>(v) In the meantime, a response from the MCA has been received vide letter dated 23.02.2024, advising the Company on the subject. The relevant portion of the said advise is reproduced herein below:</p> <p align="center"><i>"3. The Company, if so advised, may consider bringing the matter to the knowledge of the Hon'ble Apex Court for information and directions, as appropriate."</i></p>
2	<p>The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published up-to-date figures upto the third quarter of the current financial year.</p>
3	<p>The above Financial Results, prepared on Standalone basis, are reviewed by the Audit and Risk Management Committee and approved by the Board of Directors of the Company at their respective meetings held on 28th May, 2024.</p>
4	<p>The Company is primarily in the business of Real Estate Development and related activities, including Construction and allied Services. Further, all 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.</p>
5	<p>The Standalone Financial Results have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed in section 133 of the Companies Act 2013, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016, subject to the matters mentioned in Notes herein.</p>



**Notes to the Statement of Standalone Financial Results for the Quarter and
Year ended 31st March, 2024**

6	<p>The Hon'ble Supreme Court, vide its order dated 20th January 2020, has, <i>inter alia</i>, 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 Government of India. In these Financial Results, references have been made hereunder to the Resolution Framework (RF) for Unitech Group, which has been prepared and approved by the Board of Directors in their meeting held on 17.06.2020, followed by updations of the Resolution Framework approved by the Board of Directors in their subsequent meetings held on 10.09.2020, 28.10.2020 and 27.04.2022. The updated Resolution Framework has been placed before the Hon'ble Supreme Court on 08.08.2022.</p>
7	<p>The Company has incurred losses in the current and previous years. The Company has huge challenges in meeting its operational obligations, current liabilities including outstanding dues to the statutory authorities, Bank Loans and Public Deposits. The Board of Directors of the Company, as appointed by the Union of India with the approval of Hon'ble Supreme Court, is in the process of estimating the contractual liabilities and the final outcome of contingent liabilities from the realizable value of available assets at the contracted value in the current form, which is an on-going activity.</p> <p>In compliance of the directions of the Hon'ble Supreme Court, as contained in its order dated 20th January 2020, the newly appointed Board of Directors has already stated its position in the Resolution Framework submitted in the Hon'ble Supreme Court on 15.07.2020, followed by updated versions submitted before the Hon'ble Supreme Court on 05.02.2021 and 08.08.2022, vide which the Hon'ble Supreme Court has been requested to grant certain concessions and reliefs so that the Company is able to fulfill its obligations towards the construction and completion of in-complete projects and meet other liabilities. Apart from the mandate of completion of various projects and handing over the completed units to the Homebuyers, the Government appointed Board of Directors has taken a comprehensive view of all pending and other projects and made proposals qua other issues which have a bearing on the Company operating as a going concern. These include various other liabilities and suggested a road map for addressing the same. Though the Hon'ble Supreme Court has yet to take decisions in principle on these issues, clear messages have been given on issues like treatment of refunds to Homebuyers and resultant units becoming a part of the unsold inventory of Unitech, the FD holders being released only the principal amounts of their FDs, and so on and so forth. Even in the case of Noida and Greater Noida Authorities, the Hon'ble Court has deferred the issue of determination of their outstanding dues after hearing the new management and the authorities. As regards the dues of secured creditors, it is important to keep in view that they are having rights over land assets mortgaged to them, the monetization of which in due course should help in meeting a considerable part of their dues. The reasons for opting against the winding up of the Company or its reference under IBC have also been explained in the application filed with the Resolution Framework. Pending a final decision of the</p>



**Notes to the Statement of Standalone Financial Results for the Quarter and
Year ended 31st March, 2024**

	Hon'ble Supreme Court, the Financial Statements have, accordingly, been drawn on an on-going basis.
8	<p>The Company is in the process of:</p> <ul style="list-style-type: none"> (i) reconciling the balances appearing in its Books of Accounts with the balances deposited with the Registry of the Hon'ble Supreme Court; (ii) estimating the impact of contingent liabilities in line with Resolution Framework submitted to the Hon'ble Supreme Court; (iii) conducting physical verification of Property, Plant & Equipment; (iv) conducting Net Realizable Value (NRV) assessment of its inventories and projects in progress; (v) conducting impairment assessment of its investment in equity instruments, debentures, bonds, various funds, financial guarantees and other commitments, loans and advances given to Subsidiaries, Associates and Joint Ventures; (vi) preparation of expected credit loss policy in relation to trade receivables, securities deposits, loans and advances given to others; (vii) re-evaluating the impact of Ind AS 115 and to conclude regarding effectiveness of existing accounting policy in line with Ind AS 115; (viii) verifying and mapping the monies received from the residents towards maintenance charges; and (ix) appointing the Internal Auditors for the Company.
9	<p>As regards trade payables, which primarily relate to the unpaid bills of Contractors and Vendors, and which prima facie may not be payable to the extent shown in the Books, the Management is in the process of ascertaining the genuineness of all the operational liabilities, which are being carried forward as a legacy from the erstwhile Management in the accounts. As regards all other opening balances which are outstanding for a long period of time and which are also being carried forward as a legacy balance, the Company is in the process of collecting the supporting documents to take an appropriate decision in the matter. Though some progress has been made in this behalf, the process of compiling banks statements/ bank balance confirmations from all the concerned banks of the Company is likely to take some time as some of the banks are taking time to supply the requisite information. The Company has various outstanding statutory liabilities since long and the same are unpaid due to the pendency of matters before various Adjudicating Authorities and liquidity constraints with the Company.</p>
10	<p>The Company has accounted for its investment in one of its subsidiaries, namely, M/s Unitech Power Transmission Limited, as non-current assets held for sale. The Company is carrying the said investment at cost. Cost of investment as on 31st March, 2024, is Rs. 4,226.26 Lakh.</p>
11	<p>There have been delays in the payment of dues of non-convertible debentures, term loans and working capital loans from Banks and Financial Institutions (including</p>



**Notes to the Statement of Standalone Financial Results for the Quarter and
Year ended 31st March, 2024**

	principal, interest and/or other charges as the case may be) to the lenders of the Company and the total of such outstanding runs into Rs. 9,33,702.50 Lakh as on 31 st March, 2024.
12	<p>(i) Pursuant to section 74 (2) of the Companies Act, 2013, the Company had filed an application before the Hon'ble CLB [Now National Company Law Tribunal (NCLT)] for, <i>inter-alia</i>, seeking re-scheduling of repayment of the outstanding Public Deposits, including interest thereon as is considered reasonable, in March 2015. The Hon'ble NCLT dismissed the said application. The appeal against the said order was also dismissed by the Hon'ble NCLAT vide its order dated 31st January, 2017.</p> <p>(ii) The Company has not provided for interest payable on Public Deposits since 01st April, 2017, which works out to Rs. 48,322.14 Lakh upto 31st March, 2024. The issue of payment of Public Deposits to the FD Holders, limited to the principal amount, is a part of the Resolution Framework, which is pending consideration of the Hon'ble Supreme Court. It may, however, also be noted that the Hon'ble Supreme Court has been approving the payment of Principal amount only in various cases considered on grounds of medical exigencies.</p>
13	<p>(i) The erstwhile Management had invested in Telangana State through a collaboration agreement with M/s Dandamundi Estate and Mr. D.A. Kumar and deposited an amount of Rs. 48,131.00 Lakh (out of which an amount of Rs. 600.00 Lakh got adjusted as part 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% p.a. The Company has already filed an IA before the Hon'ble Supreme Court for recovery of the amount.</p> <p>(ii) Notwithstanding the IA pending before the Hon'ble Supreme Court, the Management has held meetings at the level of Board of Directors and Justice (Retd.) A.M. Sapre, a former Judge of Supreme Court, with Mr. D.A. Kumar and also visited the land sites twice on 24.06.2022 and 02.01.2023.</p> <p>(iii) It was agreed in the last meeting held at the level of Justice Sapre and the Chief Secretary to Government, Telangana that the District Administration would complete the site survey and identify the areas, which have been encroached. It was also <i>inter-alia</i> directed by the Chief Secretary that no further sale deeds be allowed to be executed on the land parcels owned by Unitech Limited and its collaborator. Notwithstanding the above, However, efforts to find an amicable resolution of the issues have not succeeded so far.</p>
14	<p>(i) The Company had received a 'cancellation of lease deed' notice from Greater Noida Industrial Development Authority ("GNIDA") dated 18th November 2015. 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 SARFAESI Act and have also taken</p>



**Notes to the Statement of Standalone Financial Results for the Quarter and
Year ended 31st March, 2024**

	<p>notional possession of this land. The Company had contractually entered into agreements with 352 homebuyers and had also received advances from such buyers amounting to Rs. 6,682.10 Lakh (net of repayment). No contract revenue has been recognized on this project.</p> <p>(ii) GNIDA, in the meanwhile, deposited an amount of Rs. 7,436.35 Lakh (Rs. 6,682.10 Lakh and interest @ 6% on the principal amount of Rs. 6,682.10 Lakh), with the Registry of the Supreme Court on behalf of the Company, out of the monies paid by the Company, in terms of the Order dated 18.09.2018 of the Hon'ble Supreme Court. This amount stands refunded to about 352 homebuyers pursuant to the directions of the Hon'ble Supreme Court.</p> <p>(iii) The matter in respect of the land is still pending before the Hon'ble High Court of Allahabad for final disposal. The Company has, subsequently, shown the amount of Rs. 18,339.80 Lakh as recoverable from GNIDA in its Books of Account.</p> <p>(iv) Further, the Management is also in the process of filing a comprehensive IA before the Hon'ble Supreme Court qua GNIDA demands from Unitech, including seeking appropriate directions on the subject.</p>
15	<p>(i) The Company received an arbitral award dated 6th July 2012 passed by the London Court of International Arbitration (LCIA) wherein the Arbitration Tribunal has directed the 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 2024 – USD 298,382,949.34). The High Court of Justice, Queen's Bench Division, Commercial Court London, had confirmed the said Award.</p> <p>(ii) Further, consequent to the order passed by the Hon'ble High Court of Delhi in the instant case, the Company is required to make the aforesaid investment into Kerrush Investments Limited (Mauritius). The decree of the aforesaid amount against the Company is pending for execution. However, the Management is exploring the possibilities of filing an IA in the Supreme Court in the matter.</p>
16	<p>The Company had a branch office in Libya, whose financial statements/information reflect total assets of Rs. 1,328.47 Lakh (Previous year - Rs. 1,328.47 Lakh) as on 31st March, 2024 and total revenues of Rs. NIL (Previous year - NIL) for the year ended on that date, as considered in the Standalone Financial Statements as described above. The Company has also made provision against all assets of Rs. 1,328.47 Lakh (Previous year - Rs. 1,328.47 Lakh). The financial statements/information of this branch office have not been audited by the Branch Auditor due to the adverse political situation prevailing in Libya and functional limitations.</p>
17	<p>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 cover to the Hon'ble Supreme Court. The report on the Forensic Audit is not available with the Company or its Board of Directors. However, the said report was made available to the Enforcement Directorate, which is seized of investigations</p>



**Notes to the Statement of Standalone Financial Results for the Quarter and
Year ended 31st March, 2024**

into the related matters. Hence, the impact of observations of the Forensic Audit Report can be ascertained only after these processes reach some finality.

18 Details of Contingent Liabilities and Commitments to be performed by the Company till 31st March, 2024 are as follows:

			Rs. In Lakhs	
Srl. No.	Particular	C.Y	P.Y	
1	Claims of delayed interest and penal interest related to EDC IDC and Licence Fee	57,655.84	57,655.84	
2	Income Tax disputes (2013-2021)	206,461.24	206,461.24	
3	TDS disputes (2007-2008)	162.19	162.19	
4	Sales Tax dispute (Pending in Appeal)	13,488.60	13,488.60	
5	Service Tax dispute (2005 to 2017)	10,649.21	10,649.21	
6	GST dispute (2017-19 (UP & Odisha))(Pending in appeal)	539.09	Nil	
7	Claim by homebuyers and others at various judicial forums	42,859.79	42,859.79	
8	Claims u/s EPF & MP Act	6,490.38	6,515.55	
9	Guarantees	121,985.70	107,059.26	
10	Noida authority	806,343.00	8,06,343.00	
Total >>		1,266,635.04	1,192,625.10	

19 The Company has updated its existing Accounting Software, from 01.03.2024 onwards, for maintaining its Books of Accounts in a proper manner. The updated Accounting Software has an in-built feature of recording Audit Trail (edit log), which not only enables the Company to maintain its Books of Accounts in a secured manner but it also syncs with the requirements of statutory audit compliances.

20 The Company has not created any kind of Deferred Tax Assets on account of lack of reasonable certainty of having taxable profits and in foreseeable future against which such tax assets can be adjusted.

21 Vide PAO no 16/2022 dated 16th June 2022, the Directorate of Enforcement has attached 777 residential and commercial units which were earmarked by the erstwhile management for CIG. The Management has requested the ED to grant its no objection to the entrustment of above stated properties to the current Management subject to the approval of Hon'ble Supreme Court of India. Monetization of these assets would go a long way in mobilizing funds for completion of these 777 units and other projects.

22 With regard to litigations of Unitech Group, it is stated that there are total no. of 4114 court cases which were pending against and for the Company and Its' subsidiaries, out of which 1658 cases have been disposed-off. As such, there are total no. of 2456 cases which are pending before various courts, Except those cases, which have been filed by the Company, all the cases have been adjourned sine-die



**Notes to the Statement of Standalone Financial Results for the Quarter and
Year ended 31st March, 2024**

	by virtue of moratorium order granted by Hon'ble Supreme Court, vide its order dated 20.01.2020. The financial implications of litigations cannot be quantified.
23	The figures of the previous year have been re-grouped/ re-arranged wherever considered necessary for the purpose of comparison.



Place: Gurugram

Dated: 28.05.2024

For Unitech Limited

A handwritten signature in blue ink, appearing to read "Yudhvir Singh Malik".

Yudhvir Singh Malik

Chairman & Managing Director

Unitech Limited
CIN: L74899DL1971PLC009720
Regd. Office: 6, Community Centre, Saket, New Delhi 110017
Standalone Statement of Assets & Liabilities

(Rs. In Lakhs)

Sl.No.	Particulars	As At March 31, 2024	As At March 31, 2023
A	ASSETS		
1	Non Current Assets		
	Property, Plant and Equipment	1,614.48	1,835.68
	Investment property	1,141.36	1,160.88
	Other Intangible Assets	41.42	29.34
	Intangible Assets under Development	65.06	46.83
2	Financial Assets		
	(i) Investments	157,201.61	157,613.28
	(ii) Loans	222.31	220.25
	(iii) Other Financial Assets	2,813.74	2,510.01
	Other non current Assets	0.96	6.02
	Total Non Current Assets	163,100.94	163,422.29
	Current Assets		
	Inventories	62,517.96	62,517.96
3	Financial Assets		
	(i) Trade Receivables	45,637.43	47,230.06
	(ii) Cash and Cash equivalents	25,927.74	22,680.21
	(iii) Bank Balance other than (iii) above	6,775.50	8,122.41
	(iv) Loans	452,079.53	451,314.24
	(v) Other Financial Assets	49,545.54	49,534.44
	Current Tax Assets (Net)	4,289.29	3,811.22
	Other Current Assets	860,780.98	885,011.70
	Total Current Assets	1,507,553.97	1,530,222.24
	Non Current Assets Classified As Held For Sale	4,226.26	4,226.26
	Total Assets	1,674,881.17	1,697,870.79
B	EQUITY AND LIABILITIES		
1	Equity		
	Equity Share Capital	52,326.02	52,326.02
	Other Equity	(257,912.59)	(1,574.75)
	Total Equity	(205,586.57)	50,751.27
2	LIABILITIES		
	Non Current Liabilities		
	Financial Liabilities		
	(i) Borrowings	16.19	142.31
	(ii) Other Financial Liabilities	434.58	452.64
	Deferred Tax Liabilities	-	777.34
	Long Term Provisions	467.02	453.03
	Total Non Current Liabilities	917.79	1,825.32
3	Current Liabilities		
	Financial Liabilities		
	(i) Borrowings	512,974.64	509,000.03
	(ia) Lease Liability	155.52	162.36
	(ii) Trade payables	81,948.99	81,684.30
	(iii) Other Financial Liabilities	677,017.69	542,139.14
	Other Current Liabilities	607,396.40	512,273.51
	Short Term Provisions	56.71	34.86
	Total Current Liabilities	1,879,549.95	1,645,294.20
	Total Equity & Liabilities	1,674,881.17	1,697,870.79



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UNITECH LIMITED

STANDALONE

CIN: L74899DL1971PLC009720

Cash Flow Statement

For the period ended 31st March 2024

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash Flow from Operating Activities		
Profit/(Loss) before tax	(2,56,268.28)	(2,41,241.09)
Adjustments for		
Interest income	(2,481.20)	(6,638.91)
Unrealised foreign exchange (gain)/loss	22.80	127.22
(Profit) / loss on disposal of tangible PPE - net	-	(7.38)
Borrowing costs charged to profit and loss account	1,99,666.72	2,45,203.81
IND AS and other adjustments	(69.56)	39.90
Dividend Income	(7.41)	(6.10)
Depreciation and amortization expenses	253.89	251.44
Operating loss before working capital changes	(58,883.04)	(2,271.09)
Adjustments for:		
Trade Payables, Financial & Other Liabilities	35,177.83	(2,019.46)
Provisions	35.84	(34.22)
Trade and other receivables	1,569.82	1,761.07
Loans & Advances & Other Assets	24,537.13	24,536.23
Cash generated/(used) from/in operations	2,437.57	21,972.54
Income taxes (paid)/refund-net	(1,255.41)	(591.54)
Net Cash Flow from Operating Activities (A)	1,182.16	21,381.00
Cash Flow from Investing Activities		
Purchase of PPE including capital work in progress	(43.46)	(260.64)
Sale of PPE	-	8.60
Dividend received	7.41	6.10
Sale / (Purchase) of investments (net)	411.67	4.79
Loans received from subsidiaries (including partnership firms), associates and joint ventures	531.82	(1,203.70)
Loans repaid by subsidiaries (including partnership firms), associates and joint ventures	(801.08)	(3,909.98)
Interest received	2,444.58	6,543.24
Net Cash Flow from Investing Activities (B)	2,550.94	1,188.40
Cash Flow from Financing Activities		
Repayment of long term borrowings	(228.15)	(988.29)
Repayment of Public deposits	(255.81)	(1,405.03)
Borrowing cost paid	(1.61)	(71.46)
Net Cash Flow from Financing Activities (C)	(485.57)	(2,464.78)
Net change in cash and cash equivalents (A+B+C)	3,247.53	20,104.60
Cash and Cash Equivalent at the beginning of the year	22,680.21	2,255.51
Cash and Cash Equivalent at the end of the year	25,927.74	22,360.12
Components of Cash and Cash Equivalents	As at 31st March, 2024	As at 31st March, 2023
Cash on hand	2.95	1.91
Cheques, drafts on hand	-	6.00
Balances with banks		
- on current accounts	2,882.65	2,358.07
- in deposit account (with maturity of 3 months or less)	23,042.14	20,314.23
Total Cash and Cash Equivalents	25,927.74	22,680.21



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ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Standalone Financial Results			
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024			
[See Regulation 33 of the SEBI (LODR) Regulations, 2015]			
Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
		Rs. in Lakh	Rs. in Lakh
1	Turnover / Total income	19,257.11	19,257.11
2	Total Expenditure	275,525.39	275,525.39
3	Exceptional items	-	-
4	Total tax expenses	-	-
5	Net Profit/(Loss)	(256,268.28)	(256,268.28)
6	Earnings Per Share		
	Basic	(9.80)	(9.80)
	Diluted	(9.80)	(9.80)
7	Total Assets	1,674,881.17	1,674,881.17
8	Total Liabilities	1,880,467.74	1,880,467.74
9	Net Worth	(205,586.57)	(205,586.57)
10	Any other financial item(s) (as felt appropriate by the management)		
Audit Qualifications:-			
Matter 1			
1	<u>Details of Audit Qualifications:-</u>		
	We have made references to the Resolution Framework (RF) for Unitech group. The 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. Since 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.		
2	Type of Audit Qualifications:	Disclaimer of Opinion	
3	Frequency of Qualifications:	Repetitive, 4th year	
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views		
5	For Audit Qualification(s) where the impact is not quantified by the auditor:		
	(i) Management's estimation on the impact of audit qualification:		
	(ii) If management is unable to estimate the impact, reasons for the same:		
	The points mentioned herein are informative in nature and the Management has no further comments to offer on the same		
	(iii) Auditors' Comments on (i) or (ii) above:		
	Can not be quantified as on the date of our report due to details not available		
Matter 2			
1	<u>Details of Audit Qualifications:-</u>		
	Material uncertainty related to going concern		
	The management has represented that the Standalone Financial Results have been prepared on a going concern basis, notwithstanding the fact that the Company has eroded its net worth and has incurred losses, both in the current and previous year, and has challenges in meeting its 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 further, various projects of the Company have stalled/ slowed down.		
	In compliance of the directions of the Hon'ble Supreme Court, as contained in court's order dated 20th January 2020, the appointed Board of Directors has requested the ho'nble Supreme Court to grant certain concessions and reliefs so that the Company is able to fulfill its obligations towards the construction and completion of in-complete projects and meet other liabilities.		
	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. Also, the Board of Directors are exploring various possible options for completion of ongoing projects and are trying to generate additional possible revenues by construction of new flats.		
	Considering the above, we are unable to express an opinion on this matter.		
2	Type of Audit Qualifications:	Disclaimer of Opinion	
3	Frequency of Qualifications:	Repetitive, 4th year	
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views		
5	For Audit Qualification(s) where the impact is not quantified by the auditor:		
	(i) Management's estimation on the impact of audit qualification:		
	(ii) If management is unable to estimate the impact, reasons for the same:		
	The points mentioned herein are informative in nature and the Management has no further comments to offer on the same.		

	<p>The Management has already stated its position in the Resolution Framework submitted in the Hon'ble Supreme Court on 15.07.2020, followed by updated versions submitted on 05.02.2021 and on 08.08.2022, wherein the Hon'ble Supreme Court has been prayed to grant certain concessions and reliefs so that the Company is able to fulfill its obligations towards the construction and completion of projects and meet other liabilities. The reasons for opting against winding up the Company or its reference under IBC have fully been explained in the application filed for submission of the Resolution Framework. The Management is hopeful that as per mandate given by Hon'ble Supreme Court, the company would be able to generate sufficient funds to complete the projects as per timelines notified in the award of contracts and, accordingly, no material uncertainty exists in the Company continuing as a going concern. As such, expressing doubts about the Company as an ongoing concern is rather pre-mature at this stage.</p>	
	(iii) Auditors' Comments on (i) or (ii) above:	
	Can not be quantified as on the date of our report due to details not available	
Matter 3		
1	Details of Audit Qualifications:-	
	<p>The Management of the Company has not conducted any impairment assessment for the investments made by the erstwhile management in subsidiary companies, joint venture and associates having aggregate carrying value of Rs. 954,96.43 lakhs, despite of strong indicators existing for impairment assessment, as required by Ind AS 36, 'Impairment of Assets'. In view of non-existence of any impairment study, we are unable to express an opinion upon the adjustments, if any, that may be required to the carrying value of these investments and its consequential impact on the Standalone Financial Statements.</p>	
2	Type of Audit Qualifications:	Disclaimer of Opinion
3	Frequency of Qualifications:	Repetitive, 4th year
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	
5	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification:	
	(ii) If management is unable to estimate the impact, reasons for the same:	
	<p>Unitech Limited has 186 Indian subsidiary companies out of which 08 subsidiary Companies stood struck off by the Registrar of Companies, NCT Delhi and Haryana at the time when the new management joined. The Company has moved the National Company Law Tribunal (NCLT) for the revival of the said struck off subsidiaries, out of which 07 subsidiary companies have already been ordered for revival. The progress in audit of accounts of these 186 subsidiaries is as under:</p> <p>(a) Statutory Auditors appointed in respect of 156 Indian subsidiary companies so far;</p> <p>(b) Appointment of Statutory auditors under progress in case of 9 subsidiaries;</p> <p>(c) For the remaining 13 Subsidiaries, wherein there is a substantial foreign investment, necessary steps are being taken by the Company in this regard.</p> <p>As regards 32 foreign subsidiaries along with Libya Division and 03 foreign JVs, the management has listed down their available details. These are as under:</p> <p>(a) Audited Balance Sheets of 04 foreign subsidiaries, 02 foreign JVs, and that of Libya Division are not available with the Company.</p>	
	<p>(b) For rest of the Companies, the last audited available Balance Sheets are those of 31.03.2010 and 31.03.2016. Moreover, it is pertinent to mention that, as per information available to the new management, the Central Investigating Agencies are believed to be engaged with the issues pertaining to these entities. The matter regarding investment in Carnoustie Management Pvt Ltd (CMPL) and CIG is under investigations by the Investigating Agencies and the Enforcement Directorate (ED) has issued various attachment orders. The Management has included the transactions with CMPL and CIG as avoidable in the Resolution Framework submitted before the Hon'ble Supreme Court. It is pertinent to mention here that Unitech Limited has also filed an IA in the Hon'ble Supreme Court for the recovery of the investments made in CMPL, which has been heard but the order is awaited. However, keeping in view the investigations being carried out by the ED, approval of the Provisional Attachment Orders (PAOs) by the Adjudicating Authority and the ED having filed Prosecution Complaints before the Special Court under the PMLA, the Company is left with no option but to await the final outcome in these matters.</p> <p>In view of the position explained above, it is neither possible nor feasible at this stage to undertake any impairment assessment. The impairment assessment can be got conducted by the company through some expert in accordance with applicable Accounting Standards (Ind As 36), only after having in possession the complete details / documents / reports etc</p>	
	(iii) Auditors' Comments on (i) or (ii) above:	
	Can not be quantified as on the date of our report due to details not available	
Matter 4		
1	Details of Audit Qualifications:-	
	<p>We have not been provided with sufficient evidence about the recognition of fair value of the estimated loss allowance on loans and advance given by erstwhile management to subsidiary companies, joint ventures and associates amounting to Rs.4461,93.80 lakhs and trade receivables from subsidiary companies, joint ventures and associates amounting to Rs. 45,55.07 lakhs as required by Ind AS 109, 'Financial Instruments'.</p> <p>We are therefore unable to express an opinion on the recoverability of the loans and trade receivables from subsidiary, joint ventures and associates, fair value of estimated loss allowance on loans and trade receivables given and the consequential impact on the Standalone Financial Statements.</p>	
2	Type of Audit Qualifications:	Disclaimer of Opinion
3	Frequency of Qualifications:	Repetitive, 4th year
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	
5	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification:	
	(ii) If management is unable to estimate the impact, reasons for the same:	
	<p>All available information /details/ documents in possession of the company stand provided to the Statutory Auditors. However, the fair estimation w.r.t. the recognition of fair value of the estimated loss allowance on loans given by the erstwhile management to subsidiary companies, joint ventures and associates and trade receivables from subsidiary companies, joint ventures and associates, is not feasible as of now, because of the ongoing investigations by the ED, and the ED having filed charge-sheets before the Adjudicating Authority under PMLA and the matter being sub-judice. This job will be completed by engagement of experts only after the final verdicts are available by the Hon'ble Court(s).</p>	

	(iii) Auditors' Comments on (i) or (ii) above:
	Can not be quantified as on the date of our report due to details not available
Matter 5	
1	<u>Details of Audit Qualifications:-</u> We draw attention to the details of corporate and bank guarantees issued by the erstwhile management for its subsidiaries and joint ventures. We have not been provided sufficient evidence regarding recognition of fair value of the estimated loss allowance on corporate guarantee given by erstwhile management on behalf of its subsidiary, joint ventures and associates amounting Rs. 121,985.70 lakhs as required by Ind AS 109, 'Financial Instruments'. We are therefore unable to express an opinion on the fair value of estimated loss allowance on corporate and bank guarantee.
2	Type of Audit Qualifications: Disclaimer of Opinion
3	Frequency of Qualifications: Repetitive, 4th year
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
5	For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification:
	(ii) If management is unable to estimate the impact, reasons for the same: There are a number of secured, unsecured and operational creditors qua the company and its subsidiaries, JVs and other affiliates. Further, the Company and promoters have also given various kinds of Guarantees, including Bank Guarantees and Corporate Guarantees, the lists whereof (to the extent of availability of records), surviving or matured, have been shared with Statutory Auditors. However, it may not be possible to vouchsafe at this stage that these are the only Guarantees given by the Company. The issues pertaining to secured, unsecured and operational creditors have been covered in Chapter -3 of the Resolution Framework (RF). Apart from seeking various reliefs and concessions qua such creditors, the RF also contains a provision on invitation of Claims and settlement thereof (3.2). These issues have yet not been adjudicated by the Hon'ble Supreme Court. Hence, it is neither possible nor feasible at this stage to undertake any impairment assessment of secured creditors, and/or Corporate Guarantees till these related issues are crystallized and settled by the Hon'ble Supreme Court. Likewise, some of the investments/ advances made by the company are a subject matter of investigations being conducted by various Central Investigating Agencies.
	(iii) Auditors' Comments on (i) or (ii) above:
	Can not be quantified as on the date of our report due to details not available
Matter 6	
1	<u>Details of Audit Qualifications:-</u> The Management of the Company has not conducted any impairment assessment for the investments made and advances given for purchase of land by the erstwhile management in unrelated companies / entities having aggregate carrying value of Rs. 345,76.40 lakhs and Rs. 312,90.99 lakhs respectively, despite of strong indicators existing for impairment assessment, as required by Ind AS 36, 'Impairment of Assets'. In view of non-existence of any impairment study, we are unable to express an opinion upon the adjustments, if any, that may be required to the carrying value of these investments and its consequential impact on the Standalone Financial Statements.
2	Type of Audit Qualifications: Disclaimer of Opinion
3	Frequency of Qualifications: Repetitive, 4th year
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
5	For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification:
	(ii) If management is unable to estimate the impact, reasons for the same: As already stated, various issues (including the investments made and advances given for purchase of land by the erstwhile management in unrelated companies/ entities) as mentioned in Resolution Framework have yet not been adjudicated by the Hon'ble Supreme Court. Hence, it is neither possible nor feasible at this stage to undertake any impairment assessment of investments made and advances given for purchase of land by the erstwhile management till these related issues are crystallized and settled by the Hon'ble Supreme Court. Likewise, some of the investments/ advances made by the company are a subject matter of investigations being conducted by various Central Investigating Agencies.
	(iii) Auditors' Comments on (i) or (ii) above:
	Can not be quantified as on the date of our report due to details not available
Matter 7	
1	<u>Details of Audit Qualifications:-</u> We have not been provided with sufficient evidence about the recognition of fair value of the estimated loss allowance on loans given by erstwhile management to unrelated companies / entities amounting to Rs. 60,61.54 lakhs, trade receivables amounting Rs. 410,82.37 lakhs, inter corporate deposit amounting to Rs. 138,53.66 lakhs and security deposits given amounting Rs. 522,98.93 lakhs as required by Ind AS 109, 'Financial Instruments'. We are therefore unable to express an opinion on the recoverability of the loans given, trade receivables and security deposits given from unrelated companies / entities, fair value of estimated loss allowance on loans given, trade receivables and security deposits given, and the consequential impact on the standalone financial statements.
2	Type of Audit Qualifications: Disclaimer of Opinion
3	Frequency of Qualifications: Repetitive, 4th year
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
5	For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification:
	(ii) If management is unable to estimate the impact, reasons for the same: As already stated, various issues (including the loans given by erstwhile management to unrelated companies/ entities inter-corporate deposits and security deposits given) as mentioned in the Resolution Framework have yet not been adjudicated by the Hon'ble Supreme Court. Hence, it is neither possible nor feasible at this stage to undertake any impairment assessment of the loans given by erstwhile management to unrelated companies/ entities inter corporate deposit and security deposits given) till the related issues are crystallized and settled by the Hon'ble Court. Likewise, some of the investments/advances made by the company are a subject matter of investigations being conducted by various Central Investigating Agencies.
	(iii) Auditors' Comments on (i) or (ii) above:

	Can not be quantified as on the date of our report due to details not available	
Matter 8		
1	Details of Audit Qualifications:-	
	Balance of amounts due to / from trade receivables, trade payables, bank balances, borrowings, advance received from customers, advance to suppliers, security deposits, other loans and advances, advance for purchase of land, inter corporate deposits and other assets are pending for reconciliation / confirmation. The overall impact of the above and the consequential impact of same on standalone financial statements are not ascertainable and hence, we are unable to express an opinion on the same.	
2	Type of Audit Qualifications:	Disclaimer of Opinion
3	Frequency of Qualifications:	Repetitive, 4th year
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	
5	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification:	
	(ii) If management is unable to estimate the impact, reasons for the same:	
	It is stated that as per Standards on Auditing (SA)-505 prescribed by the Institute of Chartered Accountants of India (ICAI), the process of external confirmation is to be initiated by the Statutory Auditors for directly obtaining the evidence from the confirming parties at their level. However, the Management would initiate and follow-up on this exercise keeping the Statutory Auditors in loop with respect to the outstanding balances as on 31.03.2024. It would therefore be appropriate that the Statutory Auditors take up external confirmations based on random sampling basis since obtaining confirmation from all the parties would be a time consuming exercise.	
	(iii) Auditors' Comments on (i) or (ii) above:	
	Can not be quantified as on the date of our report due to details not available	
Matter 9		
1	Details of Audit Qualifications:-	
	Amount recoverable from GNIDA amounting Rs. 183,39.80 lakhs is subject to confirmation / reconciliation. In view of absence of the reconciliation, we are unable to express an opinion on the consequential impact of same on standalone financial statements.	
2	Type of Audit Qualifications:	Disclaimer of Opinion
3	Frequency of Qualifications:	Repetitive, 9th year
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	
5	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification:	
	(ii) If management is unable to estimate the impact, reasons for the same:	
	It is a statement of fact that the above balance is subject to confirmation/ reconciliation and the matter is pending for adjudication in the Hon'ble Court. Attention in this behalf is invited to the Orders dated 01.02.2023 of the Hon'ble Supreme Court wherein it has been held that the determination of dues of Noida, (including those of GNIDA) would be taken up separately after hearing the Government appointed Board and the Authorities.	
	(iii) Auditors' Comments on (i) or (ii) above:	
	Can not be quantified as on the date of our report due to details not available	
Matter 10		
1	Details of Audit Qualifications:-	
	Variation of Rs. 934.15 lakhs has been observed between balance lying with Supreme Court registry and books of accounts and the same is under reconciliation. In view of absence of the reconciliation, we are unable to express an opinion on the consequential impact of same on standalone financial statements.	
2	Type of Audit Qualifications:	Disclaimer of Opinion
3	Frequency of Qualifications:	Repetitive, 2nd year
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	
5	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification:	
	(ii) If management is unable to estimate the impact, reasons for the same:	
	The variations amounting to Rs 934.15 lakhs were observed between the Balance as per books of Accounts vis-à-vis as per Supreme Court's Registry in Financial Year 2022-23. It has been taken up with the Supreme Court Registry and will be reconciled as soon as the relevant information is received from the Registry.	
	(iii) Auditors' Comments on (i) or (ii) above:	
	Can not be quantified as on the date of our report due to details not available	
Matter 11		
1	Details of Audit Qualifications:-	
	A) Statutory dues related to Income-tax Act, 1962 amounting Rs. 102,46.88 lakhs, Professional Tax amounting Rs. 0.59 Lakhs, Employees Provident Funds and Miscellaneous Provisions Act, 1952 amounting to Rs. 24,42.87 Lakhs pertaining to the period of erstwhile management, are unpaid since long. In view of non-payment of statutory dues, possibility of levies, some penalties by the respective departments cannot be ruled out. On account of the above, we are unable to express an opinion on the consequential impact of same on standalone financial statements.	
	B) In certain cases, we observed that Tax Deducted at Source (TDS) has not been deducted on estimated liability created by the Company based on memorandum statement of accounts received from lenders other than banks. Same is in contravention of the provisions of chapter XVII of Income-tax Act, 1961 which mandates deduction of tax at source at earlier of booking or payment.	
	C) Input credit receivable (GST) of Rs. 61,40.53 lakhs is subject to reconciliation with the balance of input credit claimable from GST department (in GST portal). In view of absence of the reconciliation, we are unable to express an opinion on the consequential impact of same on Standalone Financial Statements.	
2	Type of Audit Qualifications:	Disclaimer of Opinion
3	Frequency of Qualifications:	Repetitive, 4th year
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	

5	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification:	
	(ii) If management is unable to estimate the impact, reasons for the same:	
	<p>(A) (a) The Government appointed Board of Directors has already submitted its Resolution Framework (RF) before the Hon'ble Supreme Court on 16.07.2020, followed by updated versions dated 02.05.2021 and 08.08.2022, wherein the Company has sought various reliefs on account of penalties, interest liabilities etc., among others, due to be paid by the company to the Statutory Authorities, Banks, Financial Institutions etc.</p> <p>(A) (b) Since a definitive view on various reliefs sought in the RF is yet to be taken by the Hon'ble Supreme Court, it is not feasible at this stage to assess the overall impact of its outstanding statutory liabilities.</p> <p>(A) (c) The New Management is committed to make the company compliant in terms of various provisions contained in the Companies Act 2013 and other related Acts, Rules, Regulations etc.</p>	
	<p>(B) (a) The Management has taken an independent opinion on Tax Deduction at Source (TDS) on estimated liability created by the Company based on memorandum statement of accounts received from lenders other than banks. The opinion given by the Expert is on the following lines: Query (i) Whether TDS under section 194 A of Income Tax Act, 1961 (TDS deduction on Interest payments to residents), should be deducted or not on interest on Inter Corporate Deposits/ Additional Term Loan facilities availed by Unitech Limited from Financial Institutions/ ARCs which are Non-Performing Assets as declared by Financial Institutions/ ARCs as per the RBI Guidelines. Reply (ii) It is opined that the interest on NPA accounts are not falling in the definition of income and income tax is not payable on such amounts and no constructive credit can be said to be payable to NBFCs and ARCs as the realization of the interest and principal component will depend upon the restructuring or settlement of loan accounts. The company is providing unpaid interest in its books of account to satisfy the requirements of accounting standards as prescribed by the Companies Act, 2013. Thus, TDS under section 194 A of Income Tax Act, 1961, in respect of aforesaid amounts, should not be deducted. (B) (b) However, the Company is providing unpaid interest in its books of accounts in order to remain compliant with the requirements of the Accounting Standards, as prescribed by Companies Act and not deducting TDS on the provision of interest.</p>	
	(C) Due to various litigations, notices from GST Department, non-availability of old data/ records and non-compliances during the period of erstwhile management, cancellations and restorations of various GST Numbers and other complex issues, there are serious difficulties in completing the reconciliation process. Despite various challenges, it is planned to complete the Reconciliation Process during FY 2024-25.	
	(iii) Auditors' Comments on (i) or (ii) above:	
	Can not be quantified as on the date of our report due to details not available	
Matter 12		
1	<u>Details of Audit Qualifications:-</u>	
	In view of the instances of non compliance with certain debt covenants including interest & principal repayment defaults, we would like to draw attention to the fact that the Company has not obtained the balance confirmations on loans from lenders (including non-convertible debentures) amounting to Rs. 9337,02.50 lakhs (including interest accrued of Rs. 5930,97.85 lakhs). In the absence of adequate and sufficient audit evidence to establish the amounts payable to the lenders, we are unable to express an opinion on the correctness of these amounts reflected in the standalone financial statement and also on their consequential impact including potential tax liabilities.	
2	Type of Audit Qualifications:	Disclaimer of Opinion
3	Frequency of Qualifications:	Repetitive, 4th year
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	
5	For Audit Qualification(s) where the impact is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification:	
	(ii) If management is unable to estimate the impact, reasons for the same:	
	<p>The total financial liability of Unitech Group has been captured in Annexure C of the Resolution Framework (RF) submitted before the Hon'ble Supreme Court.</p> <p>A total of 19 lenders, including Banks and ARCs have filed 65 cases in various DRTs, namely, New Delhi (DRT-1), Chandigarh, Chennai, Kolkata, Mumbai, Lucknow and Allahabad. In view of the moratorium granted by the Hon'ble Supreme Court, all these cases have been ordered to be adjourned sine die.</p> <p>Various lenders have also filed IAs in the Hon'ble Supreme Court, which are pending consideration. Since the matter has already been covered in the Resolution Framework, the determination and final payment of principal amount and/ or interest thereon shall be made only in accordance with the decision of the Hon'ble Supreme Court in this behalf.</p> <p>The company is providing for interest payable to Banks/ Financial Institutions based on the loan statements to the extent available and the balances are matching with statements. As far as process of confirmation of balances is concerned, it is stated that as per Standards on Auditing (SA)-505, prescribed by the Institute of Chartered Accountants of India (ICAI), the process of external confirmation is to be initiated by the Statutory Auditors for directly obtaining the evidence from the confirming parties at their level.</p>	
	(iii) Auditors' Comments on (i) or (ii) above:	
	Can not be quantified as on the date of our report due to details not available	
Matter 13		
1	<u>Details of Audit Qualifications:-</u>	

	<p>Non-compliance of provisions of Indian Accounting Standards “IND AS” as prescribed under Section 133 of the Companies Act, 2013: -</p> <p>a) Revenue from real estate projects (IND AS 115)</p> <p>The 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 whereas, the terms of the agreements entered by the Company with buyers of the property does not satisfy the conditions specified in paragraph 35 of Indian Accounting Standard 115 “revenue from contracts with customers” in all the cases.</p> <p>b) The Company has accounted for its investment in one of its subsidiary M/s Unitech Power Transmission Limited, as non-current assets held for sale. Cost of investment as on 31st March, 2024 is Rs. 42,26.26 lakhs. Non determination of fair value for asset held on sale, as on the date of reporting, is not in compliance with the provisions of Indian Accounting Standard 105 “Non-Current Assets Held for Sale and Discontinued Operations”. Accordingly, we are unable to express an opinion upon the consequential impact, if any, on the carrying value of the asset held for sale and on the reported loss in the standalone financial results.</p>		
	<p>c) Inventory and project in progress.</p> <p>1) The management has not conducted any assessment of net realisable value of the inventory amounting Rs. 625,17.96 lakhs which is required as required in paragraph 9 of Indian Accounting Standard 2 “inventories”.</p> <p>2) Reconciliation of sub-ledger records for advance received from homebuyers and trade receivables is in progress. In view of absence of the reconciliation, we are unable to express an opinion on the consequential impact of same on Standalone Financial Statements.</p> <p>3) Project wise breakup of expenditure incurred on project covered under “project in progress on which revenue is not recognized” not made available to us. Hence, we are unable to comment upon the accuracy of the amount disclosed thereunder.</p> <p>4) We draw attention to note no. 16 of the Standalone Financial Statements ‘Other Current Assets’ which include ‘Amount Recoverable from Project in Progress (on which revenue is Recognized)’ wherein no underlying documents for Rs. 107,08.78 lakhs, recognised as profit on sold property by erstwhile management is available for verification. In absence of the same, we are unable to comment on the correctness of the profit recognised on sold property. In absence thereof, we are unable to express an opinion upon the discrepancies if any and its consequential impact thereof.</p>		
2	<table border="1"> <tr> <td>Type of Audit Qualifications:</td> <td>Disclaimer of Opinion</td> </tr> </table>	Type of Audit Qualifications:	Disclaimer of Opinion
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Frequency of Qualifications:	Repetitive, 4th year		
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:		
5	For Audit Qualification(s) where the impact is not quantified by the auditor:		
	(i) Management's estimation on the impact of audit qualification:		
	(ii) If management is unable to estimate the impact, reasons for the same:		
	<p>(A). (a) The Company recognizes revenue over time if one of the following criteria of Paragraph 35 of Ind AS 115 is met, particularly 35 (c), 36 and 37, as given below:</p> <p>(i) Paragraph 35(c): the entity’s performance does not create an asset with an alternative use to the entity (paragraph 36) and the entity has an enforceable right to payment for performance completed to date (paragraph 37).</p> <p>(ii) Paragraph 36: An asset created by an entity’s performance does not have an alternative use to an entity if the entity is either restricted contractually from readily directing the asset for another use during the creation or enhancement of that asset or limited practically from readily directing the asset in its completed state for another use. The assessment of whether an asset has an alternative use to the entity is made at contract inception. After contract inception, an entity shall not update the assessment of the alternative use of an asset unless the parties to the contract the contract approve a contract modification that substantively changes the performance obligation.</p> <p>(iii) Paragraph 37: - An entity shall consider the terms of the contract, as well as any laws that apply to the contract, when evaluating whether it has an enforceable right to payment for performance completed to date in accordance with paragraph 35(c). The right to payment for performance completed to date does not need to be for a fixed amount. However, at all times throughout the duration of the contract, the entity must be entitled to an amount that at least compensates the entity for performance completed to date if the contract is terminated by the customer or another party for reasons other than the entity’s failure to perform as promised.</p>		
	<p>(A) (b) Following points are also considered by the company at the time of Revenue Recognition of revenue under POCM:</p> <p>(i) The company has an enforceable right to claim the payment from Customer for performance completed which has been agreed by customers in the Agreements to Sell (Builders-Buyer Agreements).</p> <p>(ii) The Company cannot change or substitute the residential/ commercial unit specified in the Builder-Buyer Agreement (“The contract”) entered with the customer, and thus the customer could enforce his/her rights to the residential/ commercial unit if the Company sought to direct the asset for another use. In the opinion of the Management of the Company, the contractual restriction is substantive, and the real estate unit does not have an alternative use to the Company.</p> <p>(iii) Further, the Company has the right to claim the installments of the Residential/ Commercial properties from the buyers based on the milestones given in Builder Buyers Agreement and in case of defaults by the customers, said unit is not freely transferrable to another customer. The unit is not available for alternate use of the Company until cancelled.</p> <p>(iv) In certain cases, buyers of the property have availed bank finance against the property purchased by them and the Company has entered into the “Tripartite Agreement”. Under this arrangement, the Company has given all original documents to the Bank. It indicates that the Company is not having any alternate use of the property sold to the buyer and the buyers have full right over the property purchased from the Company till the time, the buyers commit any breach towards the bank and /or does not repay its dues to the Bank in full or in part and/or the buyers commit breach of agreement with the Company.</p>		

<p>(A) (c) Customer i.e. buyer of the unit is the beneficial owner of the unit purchased from the Company and is entitled to avail the loan from Banks. In the event of defaults by Customer in repayment of any installment, the Company has the right to cancel the allotment and forfeit the entire amount of Earnest Money deposited by the Allottees and the allottee shall be left with no right or lien on said property and the developer i.e. Company shall be free to sell the same to any other person in its sole discretion as it may deem fit.</p> <p>In the opinion of the Company, customer i.e. buyer of the unit is the beneficial owner of the unit purchased till the time of cancellation of the allotment of the unit on account of defaults in repayment schedule of the installments agreed in Builder Buyer's agreement.</p> <p>(A) (d) Further, we would like to submit that majority of the projects are brown-field projects at different stages of construction.</p>			
<p>(A) (e) We have relied on the clarification issued by ICAI on 20th July 2018 w.r.t. Revenue from Contracts in context of Real Estate Sector wherein it was clarified that Ind AS 115 does allow recognition of revenue using Percentage of Completion Method (POCM).</p> <p>(A) (f) Prior to FY 2020-21, there was no qualification on revenue recognition under POCM by the earlier statutory auditor. Further, the company has sought an opinion from Expert Advisory Committee of ICAI.</p> <p>(B) Although, a fair valuation report as per provisions under section 56 of Income Tax Act, 1961, read with Rule 11UA of Income Tax rules, 1962, was obtained from a Registered Merchant Banker, the statutory auditors have asked for getting the fair valuation report from an IBBI registered Valuer as required under the provisions of Indian Accounting Standard 105 – "Non-current Assets held for sale and discontinued operations". It is submitted that fair valuation has not been got done from IBBI Registered Valuer so far. It is proposed to get the same done now before the process of disinvestment is completed.</p>			
<p>(C) (1) The exercise is planned to be completed during the FY 2024-25.</p> <p>(C) (2) The Commercial Division has complete data available on the amount received from the customers and the balance receivables from them in respect of each of the units sold. As a matter of fact, the customers are also being allowed access to their individual Accounts Ledgers in a phased manner as the management raises demands for balance payments on an ongoing basis as per the Revised Payment Plan approved by the Hon'ble supreme Court. Reconciliation of the same with the data available with the Finance & Accounts Division is planned to be completed during FY 2024-25 itself.</p> <p>(C) (3) The details to the extent available have been shared with Statutory Auditors. Further, project wise breakup will be worked out in FY 24-25 to the extent feasible.</p> <p>(C) (4) This figure represents the Estimated Profit Recognized (share of Unitech Limited) in JV Projects comprising of Sohna Road Project, Executive Floors, Independent House, Executive Floor (Maruti), Independent Floor, Singleton Floor, Shopping Arcade and Nirvana Country. After receiving the Completion Certificate from DTCP of Haryana Government, the project will be treated as Completed and actual Profit/ Loss Account will be prepared for final closing.</p>			
<p>(iii) Auditors' Comments on (i) or (ii) above:</p>			
<p>Can not be quantified as on the date of our report due to details not available</p>			
<p>Matter 14</p>			
1	<p><u>Details of Audit Qualifications:-</u></p> <p>The Company is failed in repayment of public deposits accepted by erstwhile management. As per the financial books, principal amount of deposit accepted for Rs. 534,87.75 lakhs is overdue for repayment. The Company has not created any provision for interest payable during the financial year amounting Rs. 65,26.69 lakhs (accumulated unaccounted interest is Rs. 483,22.14 lakhs). In our opinion, losses of the Company and value of public deposits are understated to extent of Rs. 483,22.14 lakhs</p>		
2	<table border="1"> <tr> <td>Type of Audit Qualifications:</td> <td>Disclaimer of Opinion</td> </tr> </table>	Type of Audit Qualifications:	Disclaimer of Opinion
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4	<p>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>		
5	<p>For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification:</p> <p>(ii) If management is unable to estimate the impact, reasons for the same:</p> <p>(i) This issue has duly been explained in Chapter 8 of the Resolution Framework (RF) submitted to the Hon'ble Supreme Court and the Company shall take action as per the directions of the Hon'ble Court in this behalf. The New Management neither processes any such case nor is it authorized to do so till the Hon'ble Supreme Court takes a decision in this matter.</p> <p>(ii) It is, however, clarified that disbursement to some fixed deposit holders (Sr. Citizens on a pro-rata basis) has been made through the Ld. Amicus Curie on the directions of the Hon'ble Supreme Court issued from time to time in the past. The details of amount disbursed to the FD holders directly from the Registry have been received in the Company on 22.11.2022 and the amount of disbursement is being captured in the books of accounts and reconciled.</p> <p>(iii) Further refund of another amount of Rs. 13.19 Crore has been approved by the Hon'ble Supreme Court vide its Orders dated 01.02.2023 for refund of principal amount of FDs to depositors on grounds of Medical Exigencies. As on 31.03.2024, the Company has already released an amount of Rs. 12.94 Crore to 506 out of 548 FD holders. The remaining cases are pending for want of receipt of requisite papers from the concerned Depositors.</p>		
<p>(iii) Auditors' Comments on (i) or (ii) above:</p>			
<p>Can not be quantified as on the date of our report due to details not available</p>			
<p>Matter 15</p>			
1	<p><u>Details of Audit Qualifications:-</u></p> <p>the Company has conducted physical verification of its property plant and equipment and the reconciliation of the same with books of accounts is in progress. In absence of the reconciliation, we are unable to comment upon the discrepancy between book record and physical counts, if any and its consequential impact of the financial results.</p>		
2	<table border="1"> <tr> <td>Type of Audit Qualifications:</td> <td>Disclaimer of Opinion</td> </tr> </table>	Type of Audit Qualifications:	Disclaimer of Opinion
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4	<p>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>		

5	For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification:
	(ii) If management is unable to estimate the impact, reasons for the same:
	The Company has initiated a series of steps for getting the physical verification, for the year ending 31st March 2024, done through the Company's existing staff. Although a substantial portion of physical verification has been covered, the reconciliation part, however, remains pending, which is likely to be completed in the next about 6 months' time. It is submitted that after the conclusion of the physical verification for the year ended 31.03.2024, the physical verification on year-end basis in future would be conducted regularly to have proper control and to address the observations of the Statutory Auditors.
	(iii) Auditors' Comments on (i) or (ii) above:
	Can not be quantified as on the date of our report due to details not available
Matter 16	
1	<u>Details of Audit Qualifications:-</u>
	Company has not appointed an internal auditor since financial year 2020-21 till date which is in contravention of the provisions of section 138 of the Companies Act, 2013.
2	Type of Audit Qualifications:
3	Frequency of Qualifications:
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
5	For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification:
	(ii) If management is unable to estimate the impact, reasons for the same:
	An agenda item pertaining to the appointment of internal auditors of M/s Unitech limited is being placed in the ensuing meeting of the ARMC & Board of directors scheduled to be held on 28th May'2024. Once the agenda is approved by Board, the said appointment will be made and necessary fillings will be carried out with the ROC, NCT of Delhi & Haryana.
	(iii) Auditors' Comments on (i) or (ii) above:
	Can not be quantified as on the date of our report due to details not available
Matter 17	
1	<u>Details of Audit Qualifications:-</u>
	the Company has 2,456 litigation pending in Hon'ble Supreme Court of India. Based on the explanation provided by the Company, considering the number of litigations pending, it is not possible for the Company to compute the possible impact of the same. In view of above, we are unable to express an opinion on the accounting of potential liability on account of pending case and completeness of disclosure of contingent liability made by the company in the standalone financial statements.
2	Type of Audit Qualifications:
3	Frequency of Qualifications:
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
5	For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification:
	(ii) If management is unable to estimate the impact, reasons for the same:
	The financial impact of litigations can be ascertained once the final verdict is pronounced by the Hon'ble Supreme Court on all the litigations.
	(iii) Auditors' Comments on (i) or (ii) above:
	Can not be quantified as on the date of our report due to details not available

For GSA & Associates LLP
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
Yudhvir Singh Malik
Chairman & Managing Director
DIN : 00000555

Sd/-
Girish Kumar Ahuja
Director
DIN : 00446339

Sd/-
CA Anshu Gupta
Partner
Membership No.077891

Sd/-
Jitendra Mohandas Virwani
Director
DIN : 00027674

Sd/-
Prabhakar Singh
Director
DIN : 08696229

Sd/-
Uma Shankar
Director
DIN : 07165728

Place: Gurugram
Date: 28.05.2024

Sd/-
A. K. Yadav
Chief Executive Officer

Sd/-
Tajinder Pal Singh Madan
Chief Financial Officer

Sd/-
Anuradha Mishra
Company Secretary