



Statement of Unaudited Standalone Financial Results for the Quarter Ended June 30, 2022

(Rs. ' in lakhs except share data)

Sl. No.	Particulars (Refer Notes below)	Standalone			
		Quarter Ended		Year Ended	
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		UNAUDITED	AUDITED	UNAUDITED	AUDITED
I.	Revenue from operations (Refer note 18)	896.38	12,793.97	5,240.90	28,651.91
II.	Other income	181.39	525.94	259.56	1,157.94
III.	Total Income (I+II)	1,077.77	13,319.91	5,500.46	29,809.85
IV.	EXPENSES				
	a) Cost of construction materials consumed	22.90	57.46	51.05	176.22
	b) Sub-contracting expense	247.64	10,442.69	3,455.58	21,024.69
	c) Masonry, labour and other construction expense	401.62	1,966.40	1,663.94	5,438.69
	d) Employee benefits expense	783.68	699.37	913.96	3317.25
	e) Finance costs (Refer note 13)	52,664.31	49,848.99	44882.57	1,90,384.75
	f) Depreciation and amortisation expense	421.14	421.19	-481.57	1,803.82
	g) Other expenses	391.99	1,693.36	322.50	2,774.07
	Total expenses (IV)	54,933.28	65,129.46	51,771.17	2,24,919.49
V.	Profit/(Loss) before exceptional items and tax (III-IV)	(53,855.51)	(51,809.55)	(46,270.71)	(1,95,109.64)
VI.	Exceptional Items				
VII.	Profit/ (Loss) before tax (V-VI)	(53,855.51)	(51,809.55)	(46,270.71)	(1,95,109.64)
VIII.	Tax expense:				
	a) Current Tax				
	b) Deterred Tax	37.57	37.57	37.57	150.29
IX.	Profit / (Loss) for the period from continuing operation (VII-VIII)	(53,893.08)	(51,847.12)	(46,308.28)	(1,95,259.93)
X.	Other Comprehensive Income				
	a) Items that will not be reclassified to Profit or Loss				
	i) Remeasurements of the defined benefit Plans	41.29	543.66	(126.17)	165.14
	ii) Income Tax effect on above	(14.43)	(189.98)	44.09	(57.71)
	b) Item that may be reclassified to profit or loss				
	i) Exchange differences on translation of a foreign currency				
	ii) Income Tax effect on above				
	Total Comprehensive Income / (Loss) for the period (Total X)	26.86	353.68	(82.08)	107.43
XI.	Total comprehensive income for the period (comprising profit / (loss) and Other Comprehensive Income for the period) (IX+X)	(53,866.22)	(51,493.44)	(46,390.36)	(1,95,152.50)
XII.	Paid up equity share capital (Face value of Rs. 2 each)	15,657.95	15,657.95	15,657.95	15,657.95
XIII.	Other equity (As per last Audited financial statements)				
XIV.	Earnings per equity share (of Rs. 2 each) (not annualised for quarterly EPS (In Rs.)				
	Basic & Diluted	(6.88)	(6.58)	(5.93)	(24.92)
	(See Accompanying notes (1 - 20))				

Sudhakar Sankar



Ref

Notes:

1	The Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") has passed its order dated July 26, 2019 read with corrigendum order issued on July 31, 2019 for "Liquidation of M/s IVRCL Limited as going concern" and the Resolution professional (RP) for the Company has been appointed as the Liquidator. The Liquidator to exercise the powers and duties as enumerated in sections 35 to 50, 52 to 54 of the Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
2	The Hon'ble National Company Law Appellate Tribunal, New Delhi ("NCLAT") vide its order dated October 17, 2019 ordered that the liquidator to ensure that the company remains as going concern and the liquidator would not sell or transfer or alienate movable or immovable property of corporate debtor without the prior approval of the Appellate Tribunal. The said order is vacated by the Hon'ble National Company Law Appellate Tribunal, New Delhi ("NCLAT") vide its order dated May 29, 2019 and upholds the order of NCLT, Hyderabad dated July 26, 2019 with corrigendum order dated July 31, 2019.
3	As part of the Liquidation process under the provisions of the Insolvency and Bankruptcy Code 2016, Third E-auction was held on 15th December 2021 for sale of M/S.IVRCL Limited as a Going Concern with a Reserved Price not less than INR.1200 Crores (Rupees One thousand two hundred crores).
4	Under third E-auction, the Liquidator was in receipt of EOI of 23 nos out of which only one of the prospective bidder Mr.Ponguleti Prasad Reddy consortium along with five other members forming SPV submitted EMD of Rs.50 crores in demand draft on 10th December 2021 and same has been encashed
5	The Qualified Bidder was automatically registered in the Third E-Auction held on 15th December 2021 at the minimum reserve price of Rs. 1200 crore as per the clause 10.3 of Third E-Auction Process Information Document.
6	Liquidator issued Demand notice to the successful bidder Mr. Ponguleti Prasad Reddy along with five other members forming SPV to pay the balance sale consideration under Third E-auction Process of IVRCL Limited under Liquidation as going concern to complete the sale process and the reminder letter issued by the Liquidator on 19th January 2022.
7	Hon'ble NCLT, Hyderabad bench vide order dated 15-06-2022 directed the successful bidder to pay the balance sale consideration of Rs.1,150 Crores (Rs.1200 Cr- Rs.50 Cr EMD already paid) within a period of 12 months from the date of this order in SIX tranches with two months rest between each tranche. Five tranches of Rs.200 crores each falls on 14.08.2022, 14.10.2022, 14.12.2022, 14.02.2023, 14.04.2023 respectively and the final tranche of Rs.150 Crores shall payable on 14.06.2023. Any delay in adherence to the payment schedule will attract interest at 12% p.a for the delayed period.
8	Hon'ble NCLT, Hyderabad bench vide order dated 25-07-2022 directed to form a supervisory committee consisting of the successful bidder, Liquidator and other stakeholders who can meet as and when necessary to take stock of the situation with regard to the business of the company and also to protect the assets of the Company.
9	As per Regulation 33(2)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the standalone financial results of a company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the standalone financial results. In view of the Liquidation Order passed by the NCLT, all the powers of the Board of Directors, and Key Managerial Personnel ceased to have effect and is vested with Mr. Sutanu Sinha, the Liquidator. Accordingly, financial results of the Company for the quarter ended 30th June 2022 were taken on record and authorized for issue to concerned authorities by the Liquidator.
10	The operations of the Company consist of construction/project activities and there is no other reportable segment under Ind AS 108, 'Operating Segments'.
11	The Statutory Auditors have given disclaimer opinion for the quarter ended June 30, 2022 in respect of the following matters:
a)	During the quarter, the Company has incurred a Net Loss of Rs. 53,866.22 lakhs resulting into accumulated losses of Rs. 13,00,380.29 lakhs and erosion of its Net worth as at June 30, 2022. This includes inter alia Rs. 52,664.31 lakhs towards Finance cost. The Company has obligations towards fund based borrowings (including interest) aggregating to Rs.14,94,095.63 lakhs as per books of accounts and non-fund based exposure aggregating to Rs.39,430.66 lakhs, operational creditors and statutory dues, subject to reconciliation/verification as stated in note below, that have been demanded/recalled by the financial/operating creditors pursuant to ongoing Liquidation process as going concern, obligations pertaining to operations including unpaid creditors and statutory dues as at June 30, 2022. As the company is a going concern by order of the NCLT dated 26th July 2019 with corrigendum order issued on July 31, 2019 and received the bid under Third E-auction process for sale of the company as a going concern, in the opinion of the management, the company will continue its operations and the above results have been prepared on the basis that the Company is Going Concern.
b)	The company recognized deferred tax asset on account of carry forward unused tax losses and other taxable temporary differences aggregating to Rs.95,705.88 lakhs generated as on 31st March 2017. Subsequently, there has not been recognised deferred tax on unused tax losses and other taxable temporary difference a raised except on Ind AS adjustment. As the company is a going concern by order of the NCLT dated 26th July 2019 with corrigendum order issued on July 31, 2019 and received the bid under Third E-auction process for sale of the company as a going concern the management of the company is confident that sufficient future taxable income will be available against which such deferred tax asset will be realized.
c)	The Company has certain trade receivables, security deposit, withheld, claims of indirect taxes and other deposits including bank guarantees encashed by customers aggregating to Rs. 1,63,773.60 Lakhs which are subject matters of various disputes /arbitration proceedings/ negotiations with the customers and contractors due to termination / fore closure of contracts and other disputes. The management of Company is confident of positive outcome of litigation/ resolution of dispute and recovering the aforesaid dues. However, the management is in the process of initiating arbitration/other legal action for such invocations.

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Sutanu Sinha



d)	The Company has an investment of Rs. 1,83,439.00 lakhs in subsidiaries, associate and joint ventures engaged in BOT and other projects as at June 30, 2022 which are under disputes with the concessionaire/clients and have significant accumulated losses as at June 30, 2022. The management of the Company is at various stages of negotiation/communication/arbitration with respective contractee/clients of such subsidiaries engaged in BOT and other projects to recover the dues and cost incurred by the Company and taking necessary steps to turnaround the loss making subsidiary Companies. As the company is a going concern by order of the NCLT dated 26th July 2019 with corrigendum order issued on July 31, 2019 and received the bid under Third E-auction process for sale of the company as a going concern considering the long term nature of investments and in view of ongoing discussion, no provision has been considered necessary by the management in respect of impairment in the value of investment.
e)	The Company has outstanding loans and advances of Rs.74,260.78 lakhs as at June 30, 2022 given to subsidiary companies, associate, net receivable against development rights, various sub-contractors, vendors and other parties that are outstanding for long period. The management of the Company is at various stages of negotiation/communication/arbitration with respective contractee/clients/ sub-contractors/vendors to recover the dues and cost incurred by the Company and taking necessary steps to turnaround the loss making subsidiary Companies. As the company is a going concern by order of the NCLT dated 26th July 2019 with corrigendum order issued on July 31, 2019 and received the bid under Third E-auction process for sale of the company as a going concern and accordingly, no provision has been considered necessary by the management in respect of impairment in the value of loans and advances.
f)	Pursuant to the commencement of Liquidation process as a going concern by order of the NCLT dated 26th July 2019 with corrigendum order issued on July 31, 2019 there are various claims submitted by the operational creditors, the financial creditors, employees, statutory authorities and other creditors against the Company including the claims on Company's subsidiaries. Some of these claims are under further verification/validation and the same may be updated as per any additional information which may be received in the future. Hence there are differences between the liabilities admitted vis-a-vis balance as per books of account.
g)	Un-invoked Bank Guarantees of Rs. 39,430.66 lakhs as on June 30, 2022 are crystallized as debt and admitted under claims from the financial creditors as per the provisions of the IBC 2016 but not considered in the books of accounts
h)	Confirmation of balances could not be obtained as at March 31, 2022 for banks balances, bank borrowings and for various trade receivables including retention, loans and advances, and trade payables, though, the management has requested for the confirmation of balances and the status is still continued. The Management believes that no material adjustments would be required in books of account upon receipt of these confirmations.
i)	Physical verification for fixed assets aggregating to Rs.11,611.06 lakhs (net block as on March 31, 2022) and Inventory aggregating to Rs. 5,131.61 lakhs (as on March 31, 2022) could not be carried out at certain locations including project site that are terminated/ foreclosed/ having slow progress and the status is still continued. The Management believes that no item of fixed assets and inventory has a net realizable value in the ordinary course of business which is less than the amount at which it is included in the fixed assets and inventories. Accordingly, no provision is required in respect of such fixed assets and inventories.
j)	The company has various input credits and balances with various statutory authorities pertaining to service tax, VAT, sales tax etc. aggregating to Rs. 19,560.51 Lakhs as at June 30, 2022. The recovery of these amounts is subject to reconciliation, filing of returns and admission by respective statutory authorities and the status is still continued. No adjustments have been made in the books of accounts in respect of such amounts.
12	The Statutory Auditors have included an Emphasis of matter in their report for the previous year ended March 31, 2022 and review report for the quarter ended on June 30, 2022 in respect of the following:
a)	During the financial year 2017-18, the company has received a Show Cause Notice U/s 279 (1) of the IT Act 1961 for initiation of prosecution proceedings U/s 276 (B) of the IT Act 1961 for failure to deposit the deducted Tax at Source within the due date in Central Government Account for the financial year 2016-17 & 2017-18 for the amount of Rs.1,033.95 Lakhs and 1,891.21 Lakhs respectively. In respect of the above, IT department has also sent notices U/s 226 (3) of the IT Act 1961 to certain banks and customers of the company demanding the recovery of the aforesaid arrears. Pursuant to the application under Section 60(5) of the Insolvency and Bankruptcy Code 2016, the National Company Law Tribunal, Hyderabad vide its order dated 17th December 2019 directs the IT department to withdraw the garnishee notices issued to the Banks and also directed the Banks to release any amount due to corporate Debtor.
b)	During the financial year 2017-18, the company has received the order of the Regional Provident Fund Commissioner in the matter of levy of damages pertaining to the earlier years U/s 14 B of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 aggregating to Rs.4.08 Lakhs for the period from 10/1999 to 02/2009 and Rs. 608.55 Lakhs for the period from 07/2009 to 03/2015. In respect of the above, The Employees' Provident Fund Organisation has also sent notice u/s 8 F of the Employees' Provident Fund and Miscellaneous Provisions of the Act, 1952 to a Bank demanding the recovery of Rs. 912.19 Lakhs (including interest of ₹ 299.56 Lakhs). The company has filed an appeal U/s 7-I of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 with the Employees' Provident Fund Appellate Tribunal, Bangalore Bench regarding the damages amounting to Rs. 612.63 Lakhs and the matter is presently sub-judice.
13	Interest on borrowings of Rs. 52,664.31 lakhs for the quarter ending 30th June 2022 and Rs.4,95,844.57 lakhs from the date of commencement of Liquidation period i.e., 26th July 2019 to March 31, 2022 has been provided in the books of accounts as per the accounting standards but not required under the provisions of the IBC
14	Other expenses for the quarter ended March 31, 2022 include provisions for doubtful trade receivables aggregating to Rs. 1,203.96 lakhs and no such provision has been made during the quarter under review.
15	Provision for doubtful allowance on current trade receivables shall be considered at the end of the year as per the applicable accounting standards.

Agg

Sudam Singh



