

Annexure - I

ANSAL PROPERTIES & INFRASTRUCTURE LTD.

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

Rs. In Lakh

SL.No.	Particulars	STANDALONE				CONSOLIDATED			
		Quarter ended			Previous Year ended	Quarter ended			Previous Year ended
		30/06/2022 (Unaudited)	31/03/2022 (Audited)	30/06/2021 (Unaudited)		30/06/2022 (Unaudited)	31/03/2022 (Audited)	30/06/2021 (Unaudited)	
I	Income								
	(a) Revenue from operations	7,598	32,697	7,081	63,907	10,501	37,870	9,538	76,485
	(b) Other Income	585	553	-	2,131	1,021	1,457	118	4,256
II	Total Income	8,183	33,250	7,081	66,038	11,522	39,327	9,656	80,741
III	Expenses								
	(a) Consumption of Materials Consumed/ construction cost	4,784	24,289	4,525	46,929	5,092	28,651	4,909	52,266
	(b) (Increase)/decrease in stock-in-trade and work in progress	10	-	(68)	72	10	-	(68)	72
	(c) Employees benefits expense	325	321	291	1,204	424	442	402	1,648
	(d) Finance Cost	442	1,340	1,526	5,868	1,157	2,627	2,841	10,653
	(e) Depreciation and amortization expense	24	27	29	111	438	937	502	2,468
	(f) Other Expenditure	2,411	6,856	868	12,944	5,396	8,762	3,848	25,153
IV	Total Expenses	7,996	32,833	7,169	67,128	12,517	41,419	12,434	92,260
V	Profit/(Loss) before exceptional items and tax (II - IV)	167	417	(88)	(1,090)	(995)	(2,092)	(2,778)	(11,519)
VI	Exceptional Items	-	-	-	-	-	-	-	-
	Provision for Impairment in value of Investments	-	-	-	-	-	-	-	-
VII	Profit/(Loss) before taxes (V-VI)	167	417	(88)	(1,090)	(995)	(2,092)	(2,778)	(11,519)
VIII	Tax expenses								
	-Current Tax	-	-	-	-	-	(12)	25	-
	-Deferred Tax	33	(20)	(1)	(41)	(97)	(780)	177	(965)
	-MAT	-	-	-	-	-	1	-	1
	-Tax pertaining to earlier years	-	-	-	-	-	(1)	1	-
	Total Tax	33	(20)	(1)	(41)	(97)	(792)	203	(964)



SL.No.	Particulars	Quarter ended			Previous Year ended	Quarter ended			Previous Year ended
		30/06/2022 (Unaudited)	31/03/2022 (Audited)	30/06/2021 (Unaudited)		30/06/2022 (Unaudited)	31/03/2022 (Audited)	30/06/2021 (Unaudited)	
I	Income								
IX	Profit/(Loss) after Tax (VII-VIII)	134	437	(87)	(1,049)	(898)	(1,300)	(2,981)	(10,555)
X	Share of Profit/(Loss) in Associates/Joint ventures	-	-	-	-	-	-	-	-
XI	Net Profit (Loss) for the period (IX+X)	134	437	(87)	(1,049)	(898)	(1,300)	(2,981)	(10,555)
XII	Profit/(Loss) attributable to: Owner of the Company	134	437	(87)	(1,049)	(716)	(686)	(2,306)	(8,187)
	Non controlling interest	-	-	-	-	(182)	(614)	(675)	(2,368)
XIII	Other Comprehensive Income /(Loss)(net of tax)	(0)	17	7	72	(0)	15	5	71
XIV	Total Comprehensive Profit/ (Loss) for the period [Comprising Profit/( Loss ) (after tax) and Other Comprehensive Income (XI+XIII)]	134	454	(80)	(977)	(898)	(1,285)	(2,976)	(10,484)
XV	Total Comprehensive Income/(Loss) for the period [Comprising Profit / (Loss) (after tax) and Other Comprehensive Income attributable to: Owner of the Company	134	454	(80)	(977)	(716)	(671)	(2,301)	(8,116)
	Non controlling interest	-	-	-	-	(182)	(614)	(675)	(2,368)
XVI	Paid up Equity Share Capital (Face value of Rs 5 per equity share)	7,870	7,870	7,870	7,870	7,870	7,870	7,870	7,870
XVII	Reserves excluding Revaluation Reserves as per balance sheet of the previous accounting year				10,185	-	-	-	(33,646)
XVIII	Earning Per Share(EPS) (Rs.) ( not annualized ) Before Extraordinary Items	0.09	0.28	(0.06)	(0.67)	(0.45)	(0.44)	(1.46)	(5.20)
	(a) Basic	0.09	0.28	(0.06)	(0.67)	(0.45)	(0.44)	(1.46)	(5.20)
	(b) Diluted	0.09	0.28	(0.06)	(0.67)	(0.45)	(0.44)	(1.46)	(5.20)
	After Extraordinary Items	0.09	0.28	(0.06)	(0.67)	(0.45)	(0.44)	(1.46)	(5.20)
	(a) Basic	0.09	0.28	(0.06)	(0.67)	(0.45)	(0.44)	(1.46)	(5.20)
	(b) Diluted	0.09	0.28	(0.06)	(0.67)	(0.45)	(0.44)	(1.46)	(5.20)



Handwritten signature and stamp of the auditor.



**Notes:**

1. The audited financial (Standalone and Consolidated) results for the Quarter ended 30<sup>th</sup> June 2022 have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 12<sup>th</sup> August, 2022.
2. These financial results are prepared in accordance with the Indian Accounting Standards (IND AS) as prescribed under section 133 of the Companies Act 2013, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
3. Having regard to the integrated nature of real estate development business and the parameters of IND AS 108 issued by Central Government under Companies (Indian Accounting Standards) Rules, 2015, the operations of the company are within single segment.
4. The corresponding previous year /period have been regrouped, rearranged, and reclassified, wherever necessary.
5. During the period under review the Ansal Properties and Infrastructure Limited ("Company") has not claimed any exemption under section 80 IA(4)(iii) of the Income Tax Act, 1961. The Company had claimed the exemption u/s 80IA(4)(iii) of the Income Tax Act, in respect of its Industrial Park Project at Pathredi, Gurgaon, amounting to Rs. 34.48 crore in the Assessment Year 2010-11. The Competent Authority has not approved the claim of the company. The company has filed Review Petition. Since, the Review Petition of the company has been pending for long time, the company has filed Writ Petition before the Hon'ble Delhi High Court. The same has been admitted by the Hon'ble Delhi High Court and notice issued to the department. Next date of hearing is 16<sup>th</sup> August, 2022.
6. The company has filed petition before the Hon'ble National Company Law Tribunal, North Delhi Bench for relief in the scheme of repayment of public deposits sanctioned by Company Law Board. The Hon'ble National Company Law Tribunal has been pleased to issue notice to all deposit holders. The next date of hearing is the 12<sup>th</sup> August, 2022.
7. Bank-wise details are as under: -





- a) In respect of Financial Facilities availed from IL&FS, an OTS to pay Rs. 109.66 crores as full & final settlement against outstanding amount of Rs. 184.25 crores as on the 30<sup>th</sup> June, 2021, has been executed between the Company and IL&FS. As per terms contained in the Settlement Agreement, this OTS agreement now has been submitted to Hon'ble NCLT for their approval.
- b) The Company has availed a loan of Rs. 150 Crores from Allahabad bank (now merged with Indian Bank), for project Sushant Serene Residency, Sector ETA – II, Greater Noida against which outstanding principal is Rs. 103.60 crore. The loan account is classified as NPA. The Company has offered OTS proposal for amount Rs. 54.00 crores to the Bank and has paid upfront deposit against the proposed OTS to Bank.
- c) Ansal Hi-Tech Townships Limited (AHTL), a subsidiary company, has availed a loan of Rs. 50 crores from Indian bank against which outstanding principal loan amount is Rs. 43.03 crore against construction of a residential project located at Dadri, Gautam Buddh Nagar, UP. The loan account is classified as NPA. AHTL has submitted an OTS proposal for amount Rs. 30.00 crores to Indian Bank and has paid upfront deposit against the proposed OTS amount to the bank. The proposal was returned by Bank with a suggestion to submit a revised proposal. The company has now submitted revised OTS proposal for amount Rs. 32.00 crores to bank on 9<sup>th</sup> August, 2022. Indian Bank also has filed a recovery suit against the Company in DRT at Lucknow. The next hearing before DRT is 7<sup>th</sup> October, 2022.
- d) The Company has availed Working Capital facilities – Fund Based Limits of Rs. 31.00 crore and Bank Guaranty facility of Rs. 19.53 crore from Jammu & Kashmir Bank Limited, New Delhi. There is outstanding principal amount to Rs. 31.00 cores and interest of Rs. 14.39 crores, The fund based account has been classified as NPA. The Company has submitted an OTS proposal for payment of Rs. 37.50 crores to bank. The proposal is under consideration.
- e) The loan accounts of the Company have been classified as Non- Performing Assets by certain banks and they have not charged interest on the said accounts and also the Company has not charged interest on borrowings from certain banks/ Asset Reconstruction Company which had entered into Settlement agreement(s), In view of expected settlement with banks/Financial institutions provision for interest in respect of loans classified NPA has not been made to the tune of Rs.934.34 in respect of standalone and Rs. 145.94 Lakh in respect of Ansal hi Tech Township Limited(AHTL) a subsidiary Company and therefore to that extent interest costs and loan liabilities have been understated. ed June 30, 2022. The Company is already in discussion with the said banks and Asset Reconstruction Company for settlement of their dues.





f) Ansal API Infrastructure Ltd. (AAIL), a wholly owned subsidiary company, has availed a term loan of Rs. 390 crores from consortium of banks managed under Pooled Municipal Debt Obligations Facility (PMDO) and contributed by 15 lenders. The present principal outstanding is approx. Rs. 246.45 crore plus overdue / unapplied interest. The account is classified as NPA and a recovery suit is filed with DRT, New Delhi against AAIL and the Company as mortgagor as well as well the guarantor. The next date of hearing in DRT, New Delhi is 5<sup>th</sup> September, 2022. AAIL has filed an OTS proposal on 16<sup>th</sup> May, 2022 with Asset Managers of PMDO for full settlement on payment of Rs. 150 crores. We received communication from Asset Manager to PMDO that member lenders shall take up OTS proposal to their respective authorities for approval once Assets Manager complete the requirement by lenders in this regard., one lender Union Bank of India (UBI) has also filed recovery and insolvency suit against the Borrower Company i.e. AAIL in DRT and NCLT (both New Delhi). The next date of hearing in NCLT was 3<sup>rd</sup> October, 2022 and DRT is 5<sup>th</sup> September, 2022. In the Joint Lender Meeting held on 17<sup>th</sup> May 2022 Assest Manager has moved proposal to settle loan at 60%. On 24<sup>th</sup> May 2022, AAIL has submitted an OTS proposal to UBI, which is under consideration of the bank.

g) Velford Ventures Ltd and New Dimensions Holdings Limited as equity investors along with Grainwell Ventures Ltd and Clear Horizon Investment PTE Ltd as debenture investors ("investors") which have invested in Ansal Phalak Infrastructure Pvt. Ltd. (APIPL) (Now known as New Look Builders & Developers Private Limited) had referred the matter to an Arbitrator on their dispute with APIPL. The Company had given corporate guarantee (to the tune of Rs. 100 Crore) to the investors for their investment in APIPL. In the meanwhile, both the parties, (i.e., the company and the Investors) had entered into master settlement agreement, which was jointly submitted to the arbitrator. Based on master settlement agreement filed with the arbitrator, interim arbitration award was pronounced. As per the interim Award, K.P.M.G is conducting audit of APIPL to ascertain shortfall amount, if any. The final amount if any, which can't be ascertained as on the 30<sup>th</sup> June, 2022, will be determined subsequent to the report of KPMG. The adjustment for the same if any will be made after receipt of report from KPMG.

8. Show Cause Notices was received from UP RERA in relation to 5 projects (1) UPRERAPRJ10009 (2) UPRERAPRJ10150 (3) UPRERAPRJ9594(4) UPRERAPRJ7090 (5) UPRERAPRJ7122 located at Sushant Golf City, Lucknow, wherein it was directed to give para-wise compliance.

(1) In respect of project bearing RERA No UPRERAPRJ10009 – completion has been applied to Lucknow Development Authority and information has been given to RERA authorities;

(2) UPRERAPRJ10150 – as per direction of RERA Authority, the project audit has been completed by the M/s. Asija Associates and report has been submitted to RERA;

(3-5) With regard to project bearing no, UPRERAPRJ9594, UPRERAPRJ7090 and UPRERAPRJ7122 - the Company has filed appeal with RERA Appellate Tribunal on various grounds. Next hearing before Appellate Tribunal is 1<sup>st</sup> September, 2022.





9. IIRF India Realty Limited - II fund "Foreign Investor" and IL & FS Trust Company Limited (acting as Trustee of IFIN Realty Trust) through its manager IL&FS Investment Managers Limited "Indian Investor" had invested an amount of Rs. 79.34 Cr in Equity Shares and Compulsorily Convertible Preference Shares (CCPS) of Ansal Townships Infrastructure Limited, a subsidiary of the Company. The Company has purchased part of the investment i.e. 40.66% and remaining part is still pending. The investor has invoked Arbitration Clause. Further ATIL is settling the investor by buying the full investment.

10. During the quarter ended 30<sup>th</sup> September, 2018, the Award in the matter of arbitration with Landmark group was pronounced. The Award contemplates joint and several liability of four companies of Ansal Group, including the Company, amounting to Rs. 55.78 crore along with interest amounting to Rs. 105.08 crore Petition filed by Ansal Group has been disposed of by Hon'ble High Court vide order dt. 5<sup>th</sup> January 2022 with direction to deposit Rs. 66 Crore approx. i.e., net of Rs. 14.90 crore already deposited, within a period of four weeks from order date i.e., 12<sup>th</sup> May, 2022 and also shall maintain liquidity in its accounts at least to the extent of Rs.120 Crore, further in the event of default by the Company in complying with said direction, the Company shall deposit with the Registry of the Court an amount of Rs. 200 Crore within a period of 8 weeks from said order date. No provision has been made in the books of accounts. However, the Company has disclosed the same as Contingent Liability. The next date of hearing before Hon'ble High Court is the 7<sup>th</sup> September, 2022.

11. The financial statements of 1 Joint Venture and 90 Subsidiary & Associate companies are based on management certified accounts.

12. The Corporate Guarantee/s given by Ansal Properties and Infrastructure Limited ("the Company") in terms of the applicable provisions of the Companies Act, 2013 and rules made thereunder ("the Act") has been reduced by Rs. 92.15 Crores i.e., from Rs. 518.93 Crore as on the 31<sup>st</sup> March, 2022 to Rs. 426.78 crore as on the 30<sup>th</sup> June, 2022.

13. The Management's response to qualifications in the Audit Report for the quarter ended 30<sup>th</sup> June, 2022 are as under:

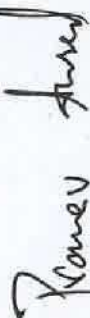


i) As per interim arbitration award, KPMG is conducting audit of APIPL to ascertain shortfall amount, if any. The final amount if any, which can't be ascertained as on as on the 30<sup>th</sup> June, 2022, will be determined subsequent to the report of KPMG. The adjustment for the same if any will be made after receipt of report from KPMG. Further, the Company is in process of settlement.

ii) The Auditor of Ansal Township Infrastructure Ltd (ATIL), a subsidiary company has qualified the report in the FY 2018-19 by mentioning interest payable by the company to ATIL @ 18%, as applicable to other customers. However, the Company is in the view that amount is not payable as per the agreement. Further, ATIL is settling the Investor by buying the full investment.

iii) The Company had entered into Settlement agreement(s) ('Agreements') with certain banks/financial Institutions ('the Lenders') during the years/period ended March 31, 2022. So far the lenders have not given any written notice on event of default as per the agreements and the management is in discussions with the Lenders to condone the aforementioned delays. Pursuant to the above discussions with the lenders, management is confident that no material impact will devolve on the Company in respect of aforementioned delays.

For and on behalf of the Board



(Pranav Ansal)

Vice Chairman & WTD

DIN-00017804

Place: New Delhi

Date: August 12<sup>th</sup>, 2022







*Annexure - II (1/2)*

**Independent Auditors' Review Report on the Quarterly and year to date Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**Review report to  
The Board of Directors of  
Ansal Properties & Infrastructure Limited**

1. We have reviewed the accompanying standalone financial results of **Ansal Properties & Infrastructure Limited** (the "Company") for the quarter ended June 30, 2022 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. **Basis for Qualified conclusion**
  - a. We draw attention to note no 14 (i) of the statement, wherein during the last quarter of F.Y. 2019-20, the Company had entered into a business transfer agreement (BTA) with PE Investor in Ansal Phalak Infrastructure Private Limited (APIPL), a subsidiary of the Company. On the basis of interim arbitration award/ master settlement agreement (MSA), 93% of the equity share capital of the Company is now held by PE Investor. As a result, APIPL is not a subsidiary of the Company anymore. The final arbitration award will be subject to final audit report of KPMG appointed as per section 26 of the Arbitration Act. KPMG will audit all the transactions undertaken since incorporation. Any shortfall or excess of amount payable or receivable due to their findings will be adjusted subsequently. We have been informed by the Company that





the audit of KPMG is under progress and the final amount will be determined subsequent to such report of KPMG which is not ascertainable at this stage and hence not recorded by Company. In view of above, we are unable to ascertain the possible impact it may have on the profit and financial position of the Company and hence not commented upon.

- b. We draw attention to Note 14 (iii) of the accompanying Statement, the Company has borrowings from certain banks which have been classified as non-performing assets ('NPA borrowings') and those from certain other banks/ asset reconstruction company (together referred to as 'the Lenders'). The Company had entered into settlement agreements ('Settlement Agreements') with some of these Lenders for the aforesaid loans. As described in the said note, the Company has delayed the payments in respect of the instalments due to these Lenders pursuant to the relevant loan agreements and Settlement Agreements. In respect of the afore mentioned NPA borrowings and delayed payments under the Settlement Agreements, the Company has not recognised interest for the quarter ended 30th June 2022 aggregating to Rs. 934.34 lakhs payable under the terms of the said agreements, as estimated by the management on the basis of expected re-negotiation with the Lenders.

We further report that, without considering items mentioned at para (b) above, the effect of which could not be determined, had the observations made by us in para (a) above been considered, the loss for the year would have been Rs. 800.08 lakhs (as against the reported figure of total profit of Rs. 134.26 lakhs), current financial liabilities would have been Rs. 1,06,932.31 lakhs (as against the reported figure of Rs. 1,05,997.97 lakhs).

#### 5. Qualified conclusion

Based on our review conducted as above, except for possible impact of matters stated in "Basis of Qualified conclusion" above, nothing has come our attention that causes us to believe that the accompanying Statements, prepared in all material respects in accordance with the applicable Indian Accounting Standards (Ind As) prescribed in Ind AS 133 of the Act, read with Rule 7 of Companies (Accounts) Rules 2014 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Listing regulations, as amended, including the manner in which it is to be disclosed, or that it contain any material misstatement.

#### 6. Emphasis of Matter

Without qualifying our conclusion, we draw attention to the following matters:

- a. Refer Note 5 of the Statement, the Company had claimed a cumulative exemption of Rs. 3,408 lakhs up to the period ended March 31, 2011, under section 80 IA (4)(iii) of the Income Tax Act, 1961 being tax profits arising out of sale of Industrial Park Project at Pathredi, Gurgaon. The Competent Authority rejected the initial application against which the Company has filed review petition. The Company has taken opinion from a senior counsel



that its review petition satisfies all the conditions specified in the said Scheme of Industrial Park under Industrial Park (Amendment) Scheme, 2010. No exemption is claimed during the current quarter, as there are no sales of industrial park units. Since, the Review Petition of the company has been pending for long time, the company has filed Writ Petition before the Hon'ble Delhi High Court. The same has been admitted by the Hon'ble Delhi High Court in W.P. (C) 3848/2021 & CM No.15443/2021 and notice issued to the department. Next date of hearing is 16.08.2022.

- b. Refer Note 6 of the Statement, the company has filed petition before the Hon'ble National Company Law Tribunal, North Delhi Bench for relief in the scheme of repayment of public deposits (as on 30.06.2022 total outstanding principal is of Rs. 8,495 lakhs) sanctioned by Company Law Board. The Hon'ble National Company Law Tribunal has been pleased to issue notice to all deposit holders. The next date of hearing is 12.08.2022.
- c. Refer Note 7 of the Statement, as per prescribed norms issued by Reserve Bank of India (RBI) and the exercise of powers conferred on the Bank under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) the banks have issued notices to the company and the details of which are as follows:
  - i. The Company has availed a loan of Rs. 15,000 lakhs and now the outstanding principal is Rs.10,360 lakhs from Allahabad bank (now merged with Indian bank), for project Sushant Serene Residency, Sector ETA – II, Greater Noida. The loan account is classified as NPA. The Company has offered OTS proposal for amount Rs. 5,400 lakhs to the Bank and has paid upfront deposit against the proposed OTS to Bank.
  - ii. The Company is availing Working Capital facility – Fund Based Limits of Rs. 3,100 Lakhs and Bank Guaranty facility of Rs. 1,953 Lakhs from Jammu & Kashmir Bank Limited. There is outstanding principal amount to Rs. 3,100 lakhs and interest of Rs. 1,314 lakhs. The account has been classified as NPA. The Company has submitted an OTS proposal amounting to Rs. 3,750 lakhs to bank on 9th May,2022.
  - iii. In respect of Financial Facilities availed from IL&FS, an OTS to pay Rs. 10,966 Lakhs (outstanding amount of Rs. 18,425 Lakhs) as full & final settlement has been executed between the Company and IL&FS. As per terms contained in the Settlement Agreement, this OTS agreement now has been submitted to Hon'ble NCLT for their approval.
- d. Refer Note 8 of the Statement, The Company has received Show Cause Notice dated 5th September 2020, directed to give para-wise compliance in connection with Notice dated 9th July, 2019 against 5 Projects UPRERAPRJ7122, UPRERAPRJ10009, UPRERAPRJ9594, UPRERAPRJ7090 and UPRERAPRJ10150. The Company has submitted detailed reply giving





compliance with respect to all the points mentioned in the said Notice for UPRERAPRJ10009, UPRERAPRJ4754, and UPRERAPRJ10150. Further, the Company has filed appeal with RERA Appellate Tribunal on various grounds for UPRERAPRJ7122, UPRERAPRJ9594 and UPRERAPRJ7090. Next hearing before Appellate Tribunal is 1<sup>st</sup> September, 2022. We have relied upon the management contention.

- e. Refer Note 9 of the Statement, wherein IIRF India Realty Limited - II Fund "Foreign Investor" and IL & FS Trust Company Limited (acting as Trustee of IFIN Realty Trust) through its manager IL&FS Investment Managers Limited "Indian Investor" had invested an amount of Rs. 7,934 Lakhs in Equity Shares and Compulsorily Convertible Preference Shares (CCPS) of Ansal Townships Infrastructure Limited, a subsidiary of the Company. The Company has purchased part of the investment i.e. 40.66% and remaining part is still pending. The Investor has invoked the Arbitration clause. Further, as per discussion with management ATIL is settling the investor by buying the full investment.
- f. Refer Note 10 of the Statement, during the quarter ended 30th September, 2018, the Award in the matter of arbitration with Landmark group was pronounced. The Award contemplates joint and several liability of four companies of Ansal Group, including the Company, amounting to Rs. 5,578 lakhs along with interest amounting to Rs. 10,508 lakhs. Petition filed by Ansal Group against the said award is pending adjudication in the Hon'ble High Court of Delhi. In the meantime, as a part of the enforcement proceedings filed by the Landmark Group, the Hon'ble high court of Delhi vide order dt. 5th January 2022 passed directions to the company to deposit Rs. 20,000 Lakhs approx. (Rs. 1,490 Lakhs already deposited with the Hon'ble Court). No provision has been made in the books of accounts. However, the Company has disclosed the same as Contingent Liability. The next date of hearing before Hon'ble High Court is the 7th September, 2022.
- g. The Company has purchased properties aggregating to Rs. 16,078 lakhs from one of its subsidiaries (holding 70.57% equity shares) Ansal Townships Infrastructure Limited (ATIL) in the financial year 2011-12. The Company has not paid Rs. 14,374 lakhs out of the above consideration to ATIL till date. ATIL is demanding interest on delayed payment of the outstanding amount @18% per annum. Further, ATIL has not made provision for interest receivable on advance of Rs. 1,140 lakhs, outstanding on 31.03.2019, given to the Company. One of the minority investor shareholders of the ATIL, "IIRF India Realty Ltd" has objected to granting interest free advance and has demanded that the ATIL recover interest @ 18% per annum on the amount so advanced.

However, the Company has denied such demand on the basis that there is no such clause in the agreement entered into with ATIL and has not provided for any interest in its books of account.



## 7. Material Uncertainty on Going Concern

The accumulated losses of the Company as on June 30, 2022 is Rs. 1,14,707.24 lakhs (these accumulated losses were partly due to the reversal of earlier profits of Rs. 1,17,518.87 lakhs in retained earnings as at April 1, 2018 by the Company on adoption of Ind AS – 115 "Revenue from Contracts with Customers" with effect from April 1, 2018 ). As at June 30, 2022, the accumulated losses exceed the share capital and free reserves of the Company. Due to recession in the industry, the Company continues to face profitability and liquidity issues evidenced by delays in repayments to lenders, payments of statutory obligations including income tax and tax deducted at source and ongoing claims/settlements of various counterparties. These events or conditions combined with impact of Covid 19 on the real estate industry, indicate that a material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a going concern. The management of the company has taken various initiatives, and in view of its confidence in achieving these initiatives, the management has assessed that the going concern assumption is appropriate in the preparation of the standalone financial results of the Company for the Quarter ended June 30, 2022. Our conclusion is not modified in respect of this matter.

**For MRKS AND ASSOCIATES**  
Chartered Accountants  
ICAI Registration No – 023711N



**SAURABH KUCHHAL**  
Partner  
Membership No. 512362  
Place: Delhi  
Date: 12.08.2022  
UDIN: 22512362AOWREE8927





Annexure - D(2/2)

**Independent Auditors' Review Report on the Quarterly and year to date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

Review Report to  
The Board of Directors,  
Ansal Properties and Infrastructure Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of **Ansal Properties and Infrastructure Limited** (the 'Parent' or 'APIL'), its subsidiaries (the Parent and its Subsidiaries together referred as 'the Group') and its joint ventures for the quarter ended June 30, 2022, along with notes (the 'Statement'), attached herewith being submitted by the Group pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 (the Act), read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. The Statement includes financial results of the entities as referred in Annexure – A attached.



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## 5. Basis of Qualified Conclusion

We draw attention to:

- a) We draw attention to note no 14 (i) of the statement, wherein during the last quarter of F.Y. 2019-20, the Company had entered into a business transfer agreement (BTA) with PE Investor in Ansal Phalak Infrastructure Private Limited (APIPL), a subsidiary of the Company. On the basis of interim arbitration award/ master settlement agreement (MSA), 93% of the equity share capital of the Company is now held by PE Investor. As a result, APIPL is not a subsidiary of the Company anymore. The final arbitration award will be subject to final audit report of KPMG appointed as per section 26 of the Arbitration Act. KPMG will audit all the transactions undertaken since incorporation. Any shortfall or excess of amount payable or receivable due to their findings will be adjusted subsequently. We have been informed by the Company that the audit of KPMG is under progress and the final amount will be determined subsequent to such report of KPMG which is not ascertainable at this stage and hence not recorded by Company. In view of above, we are unable to ascertain the possible impact it may have on the profit and financial position of the Company and hence not commented upon.
- b) We draw attention to Note 14 (ii) of the Statement wherein the APIL has purchased properties aggregating to Rs. 16,078 lakhs from one of its subsidiary (holding 70.57% equity shares) Ansal Townships Infrastructure Limited (ATIL) in the financial year 2011 - 12. The Company has not paid Rs. 14,374 lakhs out of the above consideration to ATIL till date. ATIL is demanding interest on delayed payment of the outstanding amount @18% per annum. However, the Company has denied such demand on the basis that there is no such clause in the agreement entered into with ATIL and has not provided for any interest on the outstanding amount in its books of account. In view of above, we are unable to ascertain the possible impact it may have on the non-controlling interest and parent's equity in these consolidated financial results.
- c) We draw attention to Note 14 (iii) of the accompanying Statement, the Company has borrowings from certain banks which have been classified as non-performing assets ('NPA borrowings') and those from certain other banks/ Financial Institutions (together referred to as 'the Lenders'). In respect of the afore mentioned NPA borrowings and delayed payments under the Settlement Agreements, the Company has not recognized interest for the quarter ended 30th June 2022 aggregating to Rs. 934.34 Lakhs in respect of the Company and Rs. 145.95 Lakhs in respect of Ansal hi Tech Township Limited (AHTL), a subsidiary Company payable under the terms of the said agreements, as estimated by the management on the basis of expected re-negotiation with the Lenders.





We further report that, without considering items mentioned at para (c) above, the effect of which could not be determined, had the observations made by us in para (a) & (b) above been considered, the group share of consolidated loss for the quarter would have been Rs. 1,977.28 lakhs as against the reported figure of group share of total comprehensive loss of Rs. 896.99 lakhs.

#### 6. **Qualified Conclusion**

Based on our review conducted as above, except for possible impact of matters stated in Para "Basis of Qualified Conclusion" above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in all material respects in accordance with the applicable Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### 7. **Emphasis of Matter**

Without qualifying our conclusion, we draw attention to the following matters:

- i. Refer Note 5 of the Statement, the Company had claimed a cumulative exemption of Rs. 3,408 lakhs up to the period ended March 31, 2011, under section 80 IA (4)(iii) of the Income Tax Act, 1961 being tax profits arising out of sale of Industrial Park Project at Pathredi, Gurgaon. The Competent Authority rejected the initial application against which the Company has filed review petition. The Company has taken opinion from a senior counsel that its review petition satisfies all the conditions specified in the said Scheme of Industrial Park under Industrial Park (Amendment) Scheme, 2010. No exemption is claimed during the current quarter, as there are no sales of industrial park units. Since, the Review Petition of the company has been pending for long time, the company has filed Writ Petition before the Hon'ble Delhi High Court. The same has been admitted by the Hon'ble Delhi High Court in W.P. (C) 3848/2021 & CM No.15443/2021 and notice issued to the department. Next date of hearing is 16.08.2022.
- ii. Refer Note 6 of the Statement, the company has filed petition before the Hon'ble National Company Law Tribunal, North Delhi Bench for relief in the scheme of repayment of public deposits (as on 30.06.2022 total outstanding principal is of Rs. 8,495 lakhs) sanctioned by Company Law Board. The Hon'ble National Company Law Tribunal has been pleased to issue notice to all deposit holders. The next date of hearing is 12.08.2022.



iii. Refer Note 7 of the Statement, as per prescribed norms issued by Reserve Bank of India (RBI) and the exercise of powers conferred on the Bank under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) the following banks have issued notices the details of which are as follows:

- (a) The Company has availed a loan of Rs. 15,000 lakhs and now the outstanding principal is Rs.10,360 lakhs from Allahabad bank (now merged with Indian bank), for project Sushant Serene Residency, Sector ETA – II, Greater Noida. The loan account is classified as NPA. The Company has offered OTS proposal for amount Rs. 5,400 lakhs to the Bank and has paid upfront deposit against the proposed OTS to Bank.
- (b) The Company is availing Working Capital facility – Fund Based Limits of Rs. 3,100 Lakhs and Bank Guaranty facility of Rs. 1,953 Lakhs from Jammu & Kashmir Bank Limited. There is outstanding principal amount to Rs. 3,100 lakhs and interest of Rs. 1,314 lakhs. The account has been classified as NPA. The Company has submitted an OTS proposal amounting to Rs. 3,750 lakhs to bank on 9th May, 2022.
- (c) In respect of Financial Facilities availed from IL&FS, an OTS to pay Rs. 10,966 Lakhs (outstanding amount of Rs. 18,425 Lakhs) as full & final settlement has been executed between the Company and IL&FS. As per terms contained in the Settlement Agreement, this OTS agreement now has been submitted to Hon'ble NCLT for their approval.
- (d) Ansal Hi-Tech Townships Limited (AHTL), a subsidiary company, has availed a loan of Rs. 5,000.00 Lakhs from Indian bank against which outstanding principal loan amount is Rs. 4,303.00 Lakhs against construction of a residential project located at Dadri, Gautam Buddh Nagar, UP. The loan account is classified as NPA. AHTL has submitted an OTS proposal for amount Rs. 3,000.00 Lakhs to Indian Bank and has paid upfront deposit against the proposed OTS amount to the bank. The proposal was returned by Bank with a suggestion to submit a revised proposal. Indian Bank also has filed a recovery suit against the Company in DRT at Lucknow. The next hearing before DRT is 7<sup>th</sup> October, 2022.
- (e) Ansal API Infrastructure Ltd. (AAIL), a wholly owned subsidiary company, has availed a term loan of Rs. 39,000 Lakhs from consortium of banks managed under Pooled Municipal Debt Obligations Facility (PMDO) and contributed by 15 lenders. The present principal outstanding is approx. Rs. 24,645 Lakhs plus overdue / unapplied interest. The account is classified as NPA and a recovery suit is filed with DRT, New Delhi against AAIL and the Company as mortgagor as well as well the guarantor. The next date of hearing





in DRT, New Delhi is 5<sup>th</sup> September, 2022. AAIL has filed an OTS proposal on 16<sup>th</sup> May, 2022 with Asset Managers of PMDO for full settlement on payment of Rs. 15,000 Lakhs. We received communication from Asset Manager to PMDO that member lenders shall take up OTS proposal to their respective authorities for approval once Assets Manager complete the requirement by lenders in this regard., one lender Union Bank of India (UBI) has also filed recovery and insolvency suit against the Borrower Company i.e. AAIL in DRT and NCLT (both New Delhi). The next date of hearing in NCLT was 3<sup>rd</sup> October, 2022 and DRT is 5<sup>th</sup> September, 2022. In the Joint Lender Meeting held on 17<sup>th</sup> May 2022 Asset Manager presented draft report of Forensic audit and moved proposal to settle loan at 60%. On 24<sup>th</sup> May 2022, AAIL has submitted an OTS proposal to UBI, which is under consideration of the bank.

- iv. Refer Note 8 of the Statement, The Company has received Show Cause Notice dated 5<sup>th</sup> September 2020, directed to give para-wise compliance in connection with Notice dated 9<sup>th</sup> July, 2019 against 5 Projects UPRERAPRJ7122, UPRERAPRJ10009, UPRERAPRJ9594, UPRERAPRJ7090 and UPRERAPRJ10150. The Company has submitted detailed reply giving compliance with respect to all the points mentioned in the said Notice for UPRERAPRJ10009, UPRERAPRJ4754, and UPRERAPRJ10150. Further, the Company has filed appeal with RERA Appellate Tribunal on various grounds for UPRERAPRJ7122, UPRERAPRJ9594 and UPRERAPRJ7090. Next hearing before Appellate Tribunal is 1<sup>st</sup> September, 2022. We have relied upon the management contention.
- v. Refer Note 9 of the Statement, wherein IIRF India Realty Limited - II Fund "Foreign Investor" and IL & FS Trust Company Limited (acting as Trustee of IFIN Realty Trust) through its manager IL&FS Investment Managers Limited "Indian Investor" had invested an amount of Rs. 7,934 Lakhs in Equity Shares and Compulsorily Convertible Preference Shares (CCPS) of Ansal Townships Infrastructure Limited, a subsidiary of the Company. The Company has purchased part of the investment i.e. 40.66% and remaining part is still pending. The Investor has invoked the Arbitration clause. Further, as per discussion with management ATIL is settling the investor by buying the full investment.
- vi. Refer Note 10 of the Statement, during the quarter ended 30<sup>th</sup> September, 2018, the Award in the matter of arbitration with Landmark group was pronounced. The Award contemplates joint and several liability of four companies of Ansal Group, including the Company, amounting to Rs. 5,578 lakhs along with interest amounting to Rs. 10,508 lakhs. Petition filed by Ansal Group against the said award is pending adjudication in the Hon'ble High Court of Delhi. In the meantime, as a part of the enforcement proceedings filed by the Landmark Group, the Hon'ble high court of Delhi vide order dt. 5<sup>th</sup> January 2022 passed directions to the company to deposit Rs. 20,000 Lakhs approx. (Rs. 1,490 Lakhs already deposited with the Hon'ble Court). No provision has been made in the books of accounts. However, the



Company has disclosed the same as Contingent Liability. The next date of hearing before Hon'ble High Court is the 7th September, 2022.

- vii. Refer Note 11 of the Statement, wherein auditors of ALTPL, subsidiary of the parent has drawn attention to the fact that an amount of Rs. 6,156 lakhs are receivable from Ansal Landmark (Karnal) Township Private Limited (ALKTPL). Based on the management assessment no impairment in the value of said recoverable amount is made in the books of accounts of ALTPL.

#### 8. Material Uncertainty on Going Concern

The accumulated losses of the Company as on June 30, 2022 is Rs. 1,14,707.24 lakhs (these accumulated losses were partly due to the reversal of earlier profits of Rs. 1,17,518.87 lakhs in retained earnings as at April 1, 2018 by the Company on adoption of Ind AS – 115 "Revenue from Contracts with Customers" with effect from April 1, 2018). As of June 30, 2022, the accumulated losses exceed the share capital and free reserves of the Company. Due to recession in the industry, the Company continues to face profitability and liquidity issues evidenced by delays in repayments to lenders, payments of statutory obligations including income tax and tax deducted at source and ongoing claims /settlements of various counterparties. These events or conditions combined with impact of Covid 19 on the real estate industry, indicate that a material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a going concern. The management of the company has taken various initiatives, and in view of its confidence in achieving these initiatives, the management has assessed that the going concern assumption is appropriate in the preparation of the Statement of the Company for the quarter ended June 30, 2022. Our conclusion is not modified in respect of this matter.

9. We did not review the unaudited but duly certified by the management interim financial results of 89 subsidiaries (including step down subsidiaries) whose quarterly standalone financial results reflect total revenue of Rs. 1,704.08 lakhs for the quarter ended June 30, 2022; and Loss after tax of Rs. 494.88 lakhs for the quarter ended June 30, 2022; total comprehensive loss of Rs. 48.19 lakhs for the quarter ended June 30, 2022, as considered in this statement.
10. We did not review the Audited interim financial results of 1 subsidiary (including step down subsidiaries) whose quarterly standalone financial results reflect total revenue of Rs. 528.59 lakhs for the quarter ended June 30, 2022; and Loss after tax of Rs. 105.92 lakhs for the quarter ended June 30, 2022; total comprehensive loss of Rs. 105.92 lakhs for the quarter ended June 30, 2022, as considered in this statement.





Our report to the extent it concerns these subsidiaries (including step down subsidiaries) on the unaudited quarterly consolidated financial results is based solely on the management certified financial results. These subsidiaries (including step down subsidiaries) are not considered material to the Group.

11. Out of companies mentioned in 9 above, financial information for 5 subsidiaries (including step down subsidiaries) and uncertified by the management have been furnished to us, whose Financial Statements reflects total revenue of Rs. 5.84 lakh for the quarter and period ended June 30, 2022; Profit/(Loss) after tax of Rs. (3.45) lakh for the quarter ended June 30, 2022; and total comprehensive Profit/(loss) of Rs. (3.45) lakh for the quarter ended June 30, 2022, as considered in this statement. Our report to the extent it concerns these subsidiaries (including step down subsidiaries) on the unaudited quarterly consolidated financial results is based solely on the management uncertified financial results. These subsidiaries (including step down subsidiaries) are material to the Group. Further, would draw attention that financials of subsidiary ATIL have not been audited from FY 2019-20 onwards and we have relied upon uncertified financials for consolidation purpose.
12. There is one joint venture named "Ansal Lotus Melang Projects Private Limited" in which investment of the company has already been eroded due to accumulated loss. Hence, we have not consolidated any further.

Our conclusion on the statement in respect of matter stated above is not modified with respect to our reliance on the work done and the report of the other Auditors and the financial results/financial information certified by the management.

**For MRKS AND ASSOCIATES**

Chartered Accountants

ICAI Registration No: 023711N

**Saurabh Kuchhal**

Partner

Membership No: 512362

Place: New Delhi

Dated: 12-08-2022

UDIN: 22512362AOWSEH7208



# Annexure – A

	Subsidiaries/Step Down subsidiaries
1	Delhi Towers Limited
2	Ansal IT City & Parks Limited
3	Star Facilities Management Limited
4	Ansal API Infrastructure Limited
5	Charismatic Infratech Private Limited
6	Ansal Hi-Tech Townships Limited
7	White Marlin Buildcon Limited (Formerly known as Ansal SEZ Projects Limited)
8	Ansal Townships Infrastructure Limited
9	Blue Marlin Buildcon Limited (Formerly known as Ansal Seagull SEZ Developers Limited)
10	Ansal Colours Engineering SEZ Limited
11	Ansal Landmark Townships Private Limited
12	Ansal Condominium Limited
13	Aabad Real Estates Limited
14	Anchor Infra projects Limited
15	Benedictory Realtors Limited
16	Caspian Infrastructure Limited
17	Celestial Realtors Limited
18	Chaste Realtors Limited
19	Cohesive Constructions Limited
20	Cornea Properties Limited
21	Creative Infra Developers Limited
22	Decent Infratech Limited
23	Diligent Realtors Limited
24	Divinity Real Estates Limited
25	Einstein Realtors Limited
26	Emphatic Realtors Limited
27	Harapa Real Estates Limited
28	Inderlok Buildwell Limited
29	Kapila Buildcon Limited
30	Kshitiz Realtech Limited
31	Kutumbkam Realtors Limited
32	Lunar Realtors Limited
33	Marwar Infrastructure Limited
34	Muqaddar Realtors Limited
35	Paradise Realty Limited





36	Parvardigaar Realtors Limited
37	Pindari Properties Limited
38	Pivotal Realtors Limited
39	Plateau Realtors Limited
40	Retina Properties Limited
41	Sarvodaya Infratech Limited
42	Sidhivinayak Infracon Limited
43	Shohrat Realtors Limited
44	Superlative Realtors Limited
45	Taqdeer Realtors Limited
46	Thames Real Estates Limited
47	Auspicious Infracon Limited
48	Medi Tree Infrastructure Limited
49	Phalak Infracon Limited
50	Rudrapriya Realtors Limited
51	Twinkle Infraprojects Limited
52	Sparkle Realtech Private Limited
53	Awadh Realtors Limited
54	Affluent Realtors Private Limited
55	Haridham Colonizers Limited
56	Ablaze Buildcon Private Limited
57	Quest Realtors Private Limited
58	Euphoric Properties Private Limited
59	Sukhdham Colonizers Limited
60	Dreams Infracon Limited
61	Effulgent Realtors Limited
62	MangalMurthi Realtors Limited
63	Arz Properties Limited
64	Tamanna Realtech Limited
65	Singolo Constructions Limited
66	Unison Propmart Limited
67	Lovely Building Solutions Private Limited
68	Komal Building Solutions Private Limited
69	H. G. Infrabuild Private Limited
70	Caliber Properties Private Limited
71	Augustan Infrastructure Private Limited
72	Alaknanda Realtors Private Limited
73	Ansal Infrastructure Project Limited
74	Chamunda Properties Private Limited



75	Chandi Properties Private Limited
76	Canyon Realtors Private Limited
77	Kailash Realtors Private Limited
78	Kushmanda Properties Private Limited
79	Katra Realtors Private Limited
80	Kaveri Realtors Private Limited
81	Lord Krishna Infraprojects Limited
82	Prithvi Buildtech Private Limited
83	Rudraprayag Realtors Private Limited
84	Saubhagya Real Estates Private Limited
85	Saraswati Buildwell Private Limited
86	Satluj Real Estates Private Limited
87	Sunshine Colonisers Private Limited
88	Bajrang Realtors Private Limited
89	Delhi Towers & Estates Private Limited
90	Kabini Real Estates Private Limited
91	Sampark Hotels Private Limited
92	Yamnotri Properties Private Limited
	<b>Joint ventures</b>
93	Ansal Lotus Melange Projects Private Limited

