



To, <b>Bombay Stock Exchange Limited (BSE)</b> Listing Department, P J Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 500366	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Block G, C-1, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol: ROLTA
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December 06, 2019

Dear Sir /Madam,

**Sub.:- Outcome of Adjournd Board Meeting of Rolta India Limited held on December 06, 2019**

In compliance with Regulation 30 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, this is to inform that the Board of Directors of Rolta India Limited ("Company") at their meeting held today i.e. December 06, 2019 has *inter-alia* considered, approved and taken on record of the following:

- 1) The Company had received an order dated October 22, 2019 on November 11, 2019 from the National Company Law Tribunal (NCLT) to initiate Insolvency Proceedings against the Company and appointment of Interim Resolution Professional (IRP) which was then challenged by the Company in the Hon'ble High Court of Bombay.

In view of the receipt of the above mentioned Purported Order, the Board decided to Adjourn the Board Meeting Scheduled to be held on Monday, November 11, 2019.

Consequently, the Purported Order has been set aside, as a result whereof, all consequential actions including initiation of Corporate Insolvency Resolution Process, Moratorium and the appointment of IRP have been set aside on November 29, 2019

- 2) Unaudited Consolidated Financial Results of the Company for the second quarter and six months ended September 30, 2019;
- 3) Limited Review Report for the Unaudited Consolidated Financial Results for the second quarter and six months ended September 30, 2019 as submitted by M/s. N M Raiji & Co., Chartered Accountants, Statutory Auditors of the Company;
- 4) Unaudited Standalone Financial Results of the Company for the second quarter and six months ended September 30, 2019;
- 5) Limited Review Report for the Unaudited Standalone Financial Results for the second quarter and six months ended September 30, 2019 as submitted by M/s. N M Raiji & Co., Chartered Accountants, Statutory Auditors of the Company;

Accordingly, we enclose the above referred Results together with Limited Review Reports.

The meeting of the Board of Directors commenced at 12.30 p.m. and concluded at 04:30 p.m. You are requested to kindly take the same on your record and oblige.

Thanking you,  
For **ROLTA INDIA LIMITED**

**Dinesh Kapadia**  
Chief Financial Officer

Encl.: As above

**ROLTA INDIA LIMITED**

Rolta Tower 'A', Rolta Technology Park, MIDC- Marol, Andheri (East), Mumbai - 400 093. INDIA.

CIN : L74999MH1989PLC052384, Tel : +91(22) 2926 6666/3087 6543, Fax: +91(22) 2836 5992, E-mail : [indsales@rolta.com](mailto:indsales@rolta.com), [www.rolta.com](http://www.rolta.com)



**INDEPENDENT AUDITOR'S REPORT ON THE LIMITED REVIEW OF THE INTERIM  
STANDALONE FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF ROLTA INDIA LTD.**

**Introduction**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Rolta India Limited ("the Company"), for the quarter and six months ended September 30, 2019, together with the relevant notes thereon (the "Statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

**Management's Responsibility**

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 the 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 and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.

**Auditors' Responsibility**

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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**Basis for Qualified Conclusion**

4. During the year ended March 31, 2019, consequent upon default committed by its International Subsidiaries based in the US, UK and UAE, viz, Rolta International Inc (RUS), Rolta UK Limited (RUK) and Rolta Middle East FZ LLC (RME), on repayment of loans given to them by Foreign Banks against Standby Letters of Credit (SBLC) issued by overseas branches of the Company's bankers, the repayment of the loans





devolved on the Company since they were guaranteed by the Company. Pursuant thereto, the Company recognized a liability to its bankers with a corresponding receivable from each of the subsidiaries. The Company also had in its books long term export advances received from the said international subsidiaries.

The Company made the following adjustment in its books of account, without obtaining necessary permission from the Reserve Bank of India:

Advance against exports received from RUS were adjusted against amount receivable from RUS on account of devolvement of SBLC and against short term loan receivable from RUS; advance against exports received from RUK were adjusted against amount receivable from RUK on account of devolvement of SBLC; and advance against exports received from RME were adjusted against amount receivable from RME on account of devolvement of SBLC.

The aforesaid adjustment, in our opinion, is not permissible under the provisions of Foreign Exchange Management Act (FEMA) 1999, wherein Para C2 (2)(iv) of Master Directions – Export of Goods and Services as updated upto January 12, 2018, stipulates that a long term export advance can be adjusted against future exports.

Had the said adjustment not been carried out as at March 31, 2019, then as at September 30, 2019, the other non-current liabilities would have been higher by Rs. 793.35 crores, other financial assets (non-current) would have been higher by Rs. 893.61 crores, trade receivables would have been higher by Rs. 34.24 Crores, the debit balance in Retained Earnings under Other Equity would have been lower by Rs. 134.50 crores and the Deferred Tax Asset (net) would have been lower by Rs. 47 crores. Refer Note No.6 for explanation provided by the Management.

5. Based on our review conducted as above, except for the possible effects of the matter described in para 4 above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognised accounting practices and policies and has not 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 contains any material misstatement.

#### **Material Uncertainty Related to Going Concern**

6. We draw attention to Note 5 of the Statement which indicates that the Company has incurred a net loss of Rs. 327.95 crores for the six months ended September 30, 2019 and a loss of Rs 3,389.48 crores for the financial year ended March 31, 2019. While a continuing liquidity crunch and attrition of skilled and experienced personnel, indicate that presently a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern, in view of the Restructuring Services Agreement entered into with the Streamcast Group, as informed to us, continuing to be effective, the Management is of the view that the Company continues to be a going concern.

Our conclusion is not modified in respect of this matter.



**Emphasis of Matter**

7. We draw attention to Note 7 of the Statement as per which during the quarter and six months ended September 30, 2019, the Company has incurred a business loss of Rs. 327.95 crores on which it has recognized an incremental Deferred Tax Asset of Rs. 60.92 crores over the same recognized as at March 31, 2019. The aggregate Deferred Tax Asset attributable to unabsorbed business loss as at September 30, 2019 recognized by the Company amounts to Rs. 619.50 crores. The Management of the Company is of the view that for the reasons mentioned in the said Note 7, the Company will be able to generate taxable profits for setting off the accumulated business losses.

Our conclusion is not modified in respect of the above matter.



**For N. M. Raiji & Co.  
Chartered Accountants  
Firm Registration No.108296W**

**Vinay D. Balse  
Partner  
Membership. No.: 039434**

**UDIN No. 19039434AAAAGG9448**

**Place: Mumbai**

**Date: December 6, 2019**





# ROLTA INDIA LIMITED

Regd. Office : Rolta Tower A, Rolta Technology Park, MIDC, Andheri (East), Mumbai - 400 093 Maharashtra, India.

CIN : L74999MH1989PLC052384

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## STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2019

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>Income from Operations</b>						
	a. Revenue from operations	14.72	37.26	303.44	51.98	619.25	675.70
	b. Other Income	1.02	1.18	2.05	2.20	4.32	10.04
	<b>Total Income</b>	<b>15.74</b>	<b>38.44</b>	<b>305.49</b>	<b>54.18</b>	<b>623.57</b>	<b>685.74</b>
<b>2</b>	<b>Expenses</b>						
	a. Cost of materials & technical sub-contractors	14.25	24.84	82.03	39.09	158.28	209.27
	b. Employee benefits expense	12.77	19.22	25.37	31.99	51.14	83.83
	c. Finance costs	118.60	102.95	84.64	221.55	152.65	414.37
	d. Depreciation and amortization expenses	21.88	22.97	25.24	44.85	50.50	99.52
	e. Other expenses	9.00	9.74	11.87	18.74	43.27	64.35
	f. Exchange difference Loss	6.41	7.24	35.60	13.65	63.72	177.78
	<b>Total Expenses</b>	<b>182.91</b>	<b>186.96</b>	<b>264.75</b>	<b>369.87</b>	<b>519.56</b>	<b>1,049.12</b>
<b>3</b>	<b>Profit/(Loss) from operations before exceptional items and tax (1 - 2)</b>	<b>(167.17)</b>	<b>(148.52)</b>	<b>40.74</b>	<b>(315.69)</b>	<b>104.01</b>	<b>(363.38)</b>
<b>4</b>	<b>Exceptional Item (refer Note no 8)</b>	<b>5.64</b>	<b>6.62</b>	<b>-</b>	<b>12.26</b>	<b>-</b>	<b>3,026.10</b>
<b>5</b>	<b>Profit/(Loss) from ordinary activities before tax (3 - 4)</b>	<b>(172.81)</b>	<b>(155.14)</b>	<b>40.74</b>	<b>(327.95)</b>	<b>104.01</b>	<b>(3,389.48)</b>
<b>6</b>	<b>Tax (Expense)/ benefit</b>						
	Current Tax	-	-	-	-	-	-
	Deferred Tax	8.89	52.61	5.20	61.50	(11.84)	894.61
<b>7</b>	<b>Net Profit/(Loss) from continuing operations (5 + 6)</b>	<b>(163.92)</b>	<b>(102.53)</b>	<b>45.94</b>	<b>(266.45)</b>	<b>92.17</b>	<b>(2,494.87)</b>
<b>8</b>	<b>Other Comprehensive Income (Not to be considered for EPS)</b>	<b>(2.27)</b>	<b>0.05</b>	<b>0.78</b>	<b>(2.22)</b>	<b>0.64</b>	<b>0.31</b>
<b>9</b>	<b>Total Comprehensive income for the period (7 + 8)</b>	<b>(166.19)</b>	<b>(102.48)</b>	<b>46.72</b>	<b>(268.67)</b>	<b>92.81</b>	<b>(2,494.56)</b>
<b>10</b>	<b>Paid up Equity Share Capital ( F.V. ₹ 10/- each)</b>	<b>165.89</b>	<b>165.89</b>	<b>165.89</b>	<b>165.89</b>	<b>165.89</b>	<b>165.89</b>
<b>11</b>	<b>Other Equity</b>						<b>1,403.92</b>
<b>12</b>	<b>Earnings Per Share (EPS) (of ₹ 10/-each)</b>						
	Basic EPS (in ₹)	(9.9)	(6.2)	2.8	(16.1)	5.6	(150.5)
	Diluted EPS (in ₹)	(9.8)	(6.1)	2.7	(15.9)	5.4	(149.5)

## STATEMENT OF UNAUDITED STANDALONE ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2019

Sr. No.	Particulars	(In ₹ Crores)	
		September 30, 2019	March 31, 2019
<b>1</b>	<b>Non-current assets</b>		
(a)	(i) Property, plant and equipment	2,891.39	2,934.50
	(ii) Capital work-in-progress	-	-
	(iii) Intangible assets	0.00	0.11
(b)	Financial assets		
	(i) Non-current investments	255.68	254.92
	(ii) Other financial assets	2,283.79	2,166.04
(c)	Other non-current assets	1.82	2.57
(d)	Deferred tax assets (net)	619.50	558.57
(e)	Income tax assets (net)	97.84	96.96
		<b>6,150.02</b>	<b>6,013.67</b>
<b>2</b>	<b>Current Assets</b>		
(a)	Financial assets		
	(i) Trade receivables	80.95	78.83
	(ii) Cash and cash equivalents	0.60	1.11
	(iii) Other Bank Balances	9.00	10.13
	(iv) Other financial assets	736.55	754.84
(b)	Other current assets	23.20	23.47
		<b>850.30</b>	<b>868.38</b>
	<b>TOTAL ASSETS</b>	<b>7,000.32</b>	<b>6,882.05</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
	(i) Equity Share Capital	165.89	165.89
	(ii) Other equity	1,136.27	1,403.92
		<b>1,302.16</b>	<b>1,569.81</b>
<b>2</b>	<b>LIABILITIES</b>		
(a)	Non-current liabilities		
	(i) Financial liabilities		
	(a) Secured Borrowings	-	-
	(b) Others financial liabilities	-	-





		(In ₹ Crores)	
Sr. No.	Particulars	September 30, 2019	March 31, 2019
	(ii) Long term provisions	7.65	8.11
	(iii) Deferred tax liability (Net)	-	-
	(iv) Other non-current liabilities	756.14	748.37
		<b>763.79</b>	<b>756.48</b>
(b)	Current liabilities		
	(i) Financial liabilities		
	(a) Secured Borrowings	3,993.49	3,694.58
	(b) Inter Corporate Deposit	539.14	539.14
	(b) Trade payables	72.96	65.58
	(c) Others financial liabilities	294.85	233.03
	(ii) Other current liabilities	29.99	20.58
	(iii) Short-term provisions	3.94	2.85
		<b>4,934.37</b>	<b>4,555.76</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,000.32</b>	<b>6,882.05</b>

UNAUDITED STANDALONE CASH FLOW STATEMENT FOR SIX MONTHS ENDED SEPTEMBER 30, 2019

		(In ₹ Crores)	
Sr No	Particulars	September 30, 2019	September 30, 2018
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
	Net Profit before tax	(327.95)	104.01
	Adjustments for :	-	-
	Depreciation and Amortization Expenses	44.85	50.50
	Finance Costs	221.55	152.65
	Interest Income	(0.20)	(2.32)
	License fees	(1.93)	(1.99)
	Exceptional Item	12.26	-
	(Profit)/Loss on Sale of Asset (net)	(0.03)	-
	Employee Stock Option Scheme	0.31	1.30
	Exchange difference adjustment(net)	13.64	62.78
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(37.50)</b>	<b>366.93</b>
	Adjustments for :		
	Trade Receivables, Loans & Advances and Other Assets	(1.76)	(572.89)
	Trade Payables, Other Liabilities and Provisions	63.23	426.26
	<b>CASH GENERATED FROM OPERATIONS</b>	<b>23.97</b>	<b>220.30</b>
	Direct taxes paid (net of refunds)	(0.89)	(1.46)
	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>23.08</b>	<b>218.84</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets (including CWIP)	(3.85)	(6.62)
	Sale of Fixed Assets	0.04	-
	Loans & Advances to Subsidiaries	(117.74)	(102.59)
	Interest received	(110.30)	1.92
	License fees	1.93	1.99
	Deposits having original maturity over three months and restricted balance	1.13	31.55
	<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(228.79)</b>	<b>(73.75)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds / (Repayments) of Short-term borrowings(Net)	269.14	(30.61)
	Proceeds / (Repayments) from Long-term borrowings	(6.11)	-
	Proceeds / (Repayments) of Long-term borrowings	-	(79.31)
	Interest paid	(57.77)	(35.70)
	Proceeds / (Refunds) from issue of Share Capital (includes security premium)	(0.05)	0.48
	<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>205.21</b>	<b>(145.14)</b>
	<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>(0.50)</b>	<b>(0.05)</b>
	<b>CASH &amp; CASH EQUIVALENTS (OPENING BALANCE)</b>	<b>1.11</b>	<b>1.60</b>
	<b>CASH &amp; CASH EQUIVALENTS (CLOSING BALANCE)</b>	<b>0.60</b>	<b>1.55</b>

Notes

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its adjourned meeting held on December 6, 2019.
- The Statutory Auditors of the Company have carried out a Limited Review of the Financial Results for the quarter and six months ended September 30, 2019.
- The Audit Committee and Board meeting was originally scheduled for November 11, 2019. However, on account of the Company having being served on November 11, 2019, an Order of the NCLT report dated October 22, 2019, by the Registrar through E Mail and due to lack of clarity on the legality of the process followed, the Board of the Company decided to adjourn the meeting to a future date to be specified. The Company then filed a writ petition in the Hon'ble Bombay High Court challenging the process followed in passing of the Order and the process followed there after by the NCLT. The matter was heard and the Hon'ble Bombay High Court on November 29, 2019, has set aside the Order passed by the NCLT as a result whereof all consequential actions including initiation of Corporate Insolvency Resolution Process, moratorium and the appointment of the Interim Resolution Professional have been set aside.
- The Company has adopted Ind AS 116 "Leases" effective April 1, 2019, as modified by the Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standards) Amendment Rules, 2019 using the modified retrospective method. Accordingly, comparatives for the quarter and six months ended September 30, 2018 and year ended March 31, 2019 have not been retrospectively adjusted. The effect of this adoption is not material on the loss for the period and earning per share.





- 5 Pursuant to the acceptance by the Board at its meeting held on May 11, 2019, of the offer received from the Streamcast Group for subscribing to certain securities, the Company has now executed a definitive Restructuring Services Agreement (RSA) with the Streamcast Group on August 6, 2019, under the terms of which, Streamcast Group will assist Rolta India Ltd, its group companies and its subsidiaries in repayment and restructuring its liabilities (including providing financial assistance). Further in view of the inherent strength that the Company has due to the vast library of domain IPs which gives it a competitive edge and has led to growing pipeline which is being converted into orders apart from the fact that definitive RSA agreement has been signed with the investors group on August 6, 2019 the management is of the view that the Company continues to be a going concern.
- 6 In the books of account for the year ended March 31, 2019, the Company had adjusted the Inter Company balances for the amount recoverable from subsidiary companies towards invocation of SBLC's, Sundry Debtors and short term loan given to them, against the amount payable to the respective subsidiary companies towards export advances received. The Company has not reversed these adjustments as at September 30, 2019 as it has obtained legal opinion from eminent Consultants for the said adjustments who have opined that the adjustments are in compliance of the Foreign Exchange Management Act and there is no need for obtaining prior permission from the Reserve Bank of India.
- 7 The Company has recognized deferred tax asset on the incremental tax losses during the period as the management is of the view that the Company will be able to generate enough taxable profits in the subsequent years for setting off the accumulated losses, in view of the orders in the pipeline, with more orders likely to be finalized and more particularly in view of the said Restructuring Service Agreement having been entered into.
- 8 Exceptional item represents write off of sundry debtors and unbilled receivables.
- 9 A Court in Amsterdam had given an ex-parte order for a charge to be noted on 28.08.2019 on Shareholder register of Rolta Global BV, in favour of Bond holder who obtained the ex-parte order and to comply with the Court order, the charge has been noted in Shareholders register through a bailiff in Amsterdam.
- 10 The unaudited standalone cash flow statement for the six months ended September 30, 2018 has been approved by the Board of Directors of the Company, but has not been subjected to "Limited Review".
- 11 Other Comprehensive Income is not to be considered for the purpose of computation of earning per share as per Ind AS.
- 12 Segment information has been presented in the Unaudited Consolidated Financial Results as per Ind AS.
- 13 Previous period figures are regrouped / rearranged wherever necessary.

Place : Mumbai

Date : December 6, 2019



On Behalf of Board of Directors  
For Rolta India Limited

  
Kamal K. Singh  
Chairman & Managing Director



**INDEPENDENT AUDITOR'S REPORT ON THE LIMITED REVIEW OF THE INTERIM  
CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF ROLTA INDIA LTD.**

**Introduction**

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Rolta India Limited ("the Parent"), and its subsidiaries (together referred to as "the Group") for the quarter and six months ended September 30, 2019, together with the relevant notes thereon (the "Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

**Management's Responsibility**

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, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

**Auditors' Responsibility**

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.
4. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.





**List of subsidiaries consolidated in the Statement**

5. The Statement includes the results of the following entities

Rolta International Inc.	Subsidiary of Rolta India Limited
Rolta Canada Limited	Subsidiary of Rolta International Inc.
Rolta LLC	Subsidiary of Rolta International Inc.
Rolta America LLC	Subsidiary of Rolta International Inc.
Rolta Hungary KFT	Subsidiary of Rolta International Inc.
Rolta Advizex Technologies LLC	Subsidiary of Rolta International Inc.
Rolta Global BV	Subsidiary of Rolta India Limited
Rolta UK Limited	Subsidiary of Rolta Global BV
Rolta Middle East FZ – LLC	Subsidiary of Rolta Global BV
Rolta Saudi Arabia Limited	Subsidiary of Rolta Middle East FZ – LLC
Rolta Muscat LLC	Subsidiary of Rolta Middle East FZ – LLC
Rolta Defence Technology Systems Pvt. Ltd.	Subsidiary of Rolta India Limited
Rolta Thales Limited	Subsidiary of Rolta India Limited
Rolta BI and Big Data Analytics Pvt. Ltd,	Subsidiary of Rolta India Limited

**Basis for Qualified Conclusion**

6. During the year ended March 31, 2019, consequent upon default committed by its International Subsidiaries based in the US, UK and UAE, viz, Rolta International Inc (RUS), Rolta UK Limited (RUK) and Rolta Middle East FZ LLC (RME), on repayment of loans given to them by Foreign Banks against Standby Letters of Credit (SBLC) issued by overseas branches of the Company's bankers, the repayment of the loans devolved on the Company since they were guaranteed by the Company. Pursuant thereto, the Company recognized a liability to its bankers with a corresponding receivable from each of the subsidiaries. The Company also had in its books long term export advances received from the said international subsidiaries.

The Company made the following adjustment in its books of account, without obtaining necessary permission from the Reserve Bank of India:

Advance against exports received from RUS were adjusted against amount receivable from RUS on account of devolvement of SBLC and against short term loan receivable from RUS; advance against exports received from RUK were adjusted against amount receivable from RUK on account of devolvement of SBLC; and advance against exports received from RME were adjusted against amount receivable from RME on account of devolvement of SBLC.

The aforesaid adjustment, in our opinion, is not permissible under the provisions of Foreign Exchange Management Act (FEMA) 1999, wherein Para C2 (2)(iv) of Master Directions – Export of Goods and Services as updated upto January 12, 2018, stipulates that a long term export advance can be adjusted against future exports.





Had the said adjustment not been carried out as at March 31, 2019, then as at September 30, 2019, the debit balance in Retained Earnings under Other Equity would have been lower by Rs. 134.50 crores and the Deferred Tax Asset (net) would have been lower by Rs.47 crores. Refer Note No. 6 for explanation provided by the Management.

7. Based on our review conducted as above, except for the possible effects of the matter described in para 6 above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognised accounting practices and policies and has not 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 contains any material misstatement.

#### **Material Uncertainty Related to Going Concern**

8. We draw attention to Note 5 of the Statement which indicates that the Company has incurred a net loss of Rs. 327.95 crores for the six months ended September 30, 2019 and a loss of Rs 3,389.48 crores for the financial year ended March 31, 2019. While a continuing liquidity crunch and attrition of skilled and experienced personnel, indicate that presently a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern, in view of the Restructuring Services Agreement entered into with the Streamcast Group, as informed to us, continuing to be effective, the Management is of the view that the Company continues to be a going concern.

Our conclusion is not modified in respect of this matter.

#### **Emphasis of Matter**

9. We draw attention to Note 8 of the Statement which indicates that in respect of the international subsidiaries wherein the 'Senior Notes 2013' (Bond 1) amounting to USD 126.65 million which was due for repayment on May 16, 2018 & 'Senior Notes 2014' (Bond 2) amounting to USD 372.36 million which was due for repayment on July 24, 2019, both of which continue to be outstanding, the Company has not made any further provision for interest for the period from May 17, 2018 to September 30, 2019 on Bond 1 and from July 24, 2019 to September 30, 2019 on Bond 2 on the grounds that the respective Bond indentures are not specific on payment of interest on the outstanding loan amount beyond the date of their maturity

Our conclusion is not modified in respect of this matter

#### **Other Matters**

10. We draw attention to Note 7 of the Statement as per which during the quarter and six months ended September 30, 2019, the Company has incurred a business loss of Rs. 327.95 crores on which it has recognized an incremental Deferred Tax Asset of Rs. 60.92 crores over the same recognized as at March 31, 2019. The aggregate Deferred Tax Asset attributable to unabsorbed business loss as at September 30, 2019 recognized by the Company amounts to Rs. 619.50 crores. The Management of the Company is of the view that for the reasons mentioned in the said Note 7, the Company will be able to generate taxable profits for setting off the accumulated business losses.

Our conclusion is not modified in respect of the above matter.






11. (a) We did not review the Unaudited Financial Results of four subsidiary companies included in the Statement, whose Unaudited Financial Results reflect total assets of Rs 1,080.93 crores as at September 30, 2019 and total revenue of Rs 24.55 crores and Rs.47.21 crores, total net loss after tax of Rs.54.82 crores and Rs.111.61 crores and total comprehensive income of Rs.(84.95) crores and Rs.(112.18) crores, for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019, respectively, and cash flows (net) of Rs. 1.65 crores for the period from April 1, 2019 to September 30, 2019, as considered in the Unaudited Consolidated Financial Results. These Unaudited Financial Results have been furnished to us by the management and our opinion on the Unaudited Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such Unaudited Financial Results. In our opinion and according to the information and explanations given to us by the management, these Unaudited Financial Results are not material to the Group.

(b) We did not review the Unaudited Financial Results of three subsidiary companies included in the Statement, whose Unaudited Financial Results reflect total assets of Rs. 2,654.59 crores as at September 30, 2019, and total revenue of Rs Nil and Rs. Nil, total net profit/(loss) after tax of Rs.(23.99) crores and Rs.37.19 crores and total comprehensive income of Rs.(24.08) crores and Rs.37.04 crores, for the quarter ended September 30, 2019 and for the period from April 1, 2019 to September 30, 2019, respectively, and cash flows (net) of Rs. 0.86 crores for the period from April 1, 2019 to September 30, 2019, as considered in the Unaudited Consolidated Financial Results. These Unaudited Financial Results have been reviewed by other auditors, whose report has been furnished to us by the management and our conclusion on the Statement, in so far it relates to the amount and disclosures included in respect of these subsidiary companies, is based solely on the reports of such other auditors and the procedures performed by us as stated above

Our conclusion is not modified in respect of the above matters.



**For N. M. Raiji & Co.  
Chartered Accountants  
Firm Registration No.108296W**

  
**Vinay D. Balse  
Partner  
Membership. No.: 039434**

**UDIN: 19039434AAAAGH7726**

**Place: Mumbai  
Date: December 6, 2019**





# ROLTA INDIA LIMITED

Regd. Office : Rolta Tower A, Rolta Technology Park, MIDC, Andheri (East), Mumbai - 400 093 Maharashtra, India.

CIN : L74999MH1989PLC052384

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## STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2019

(In ₹ Crores)

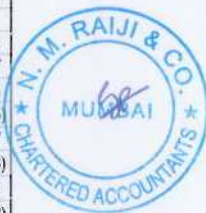
Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income from Operations</b>						
	a. Revenue from operations	374.59	363.58	626.43	738.17	1,262.96	2,161.29
	b. Other Income	1.02	1.30	2.07	2.32	4.65	10.74
	<b>Total Income</b>	<b>375.61</b>	<b>364.88</b>	<b>628.50</b>	<b>740.49</b>	<b>1,267.61</b>	<b>2,172.03</b>
2	<b>Expenses</b>						
	a. Cost of materials & technical sub-contractors	260.65	242.39	233.74	503.04	452.94	1,104.45
	b. Employee benefits expense	105.59	110.93	147.07	216.52	293.00	537.90
	c. Finance Costs	195.04	219.49	170.88	414.53	329.57	846.57
	d. Depreciation and amortization expenses	61.87	63.85	63.66	125.72	127.27	253.17
	e. Other expenses	30.58	36.16	52.32	66.74	123.50	264.69
	f. Exchange Difference Loss	18.31	19.45	35.52	37.76	51.81	172.81
	<b>Total Expenses</b>	<b>672.04</b>	<b>692.27</b>	<b>703.19</b>	<b>1,364.31</b>	<b>1,378.09</b>	<b>3,179.59</b>
3	<b>Profit/(Loss) From Operations Before Exceptional Items and Tax (1 - 2)</b>	<b>(296.43)</b>	<b>(327.39)</b>	<b>(74.69)</b>	<b>(623.82)</b>	<b>(110.48)</b>	<b>(1,007.56)</b>
4	<b>Exceptional Item (refer Note no 10)</b>	5.64	6.62	-	12.26	-	3,836.37
5	<b>Profit/(Loss) from ordinary activities before tax (3 - 4)</b>	<b>(302.07)</b>	<b>(334.01)</b>	<b>(74.69)</b>	<b>(636.08)</b>	<b>(110.48)</b>	<b>(4,843.93)</b>
6	<b>Tax (Expense) / benefit</b>						
	a. Current Tax	(0.56)	(0.69)	(0.43)	(1.25)	(1.02)	(2.06)
	b. Deferred Tax	26.77	167.42	16.99	194.19	16.67	1,188.57
7	<b>Net Profit/(Loss) from continuing operations (5 + 6)</b>	<b>(275.86)</b>	<b>(167.28)</b>	<b>(58.13)</b>	<b>(443.14)</b>	<b>(94.83)</b>	<b>(3,657.42)</b>
	<b>Attributable to:</b>						
	Shareholders of the Company	(275.86)	(167.28)	(58.13)	(443.14)	(94.83)	(3,657.42)
	Non controlling Interest	-	-	-	-	-	-
8	<b>Other Comprehensive income (Not to be considered for EPS)</b>	<b>(102.12)</b>	<b>51.77</b>	<b>(235.48)</b>	<b>(50.35)</b>	<b>(482.59)</b>	<b>(128.97)</b>
9	<b>Total Comprehensive income for the period (7 + 8)</b>	<b>(377.98)</b>	<b>(115.51)</b>	<b>(293.61)</b>	<b>(493.49)</b>	<b>(577.42)</b>	<b>(3,786.39)</b>
	<b>Attributable to:</b>						
	Shareholders of the Company	(377.98)	(115.51)	(293.61)	(493.49)	(577.42)	(3,786.39)
	Non controlling Interest	-	-	-	-	-	-
10	<b>Paid-up Equity Share Capital (F.V. ₹10/- each)</b>	<b>165.89</b>	<b>165.89</b>	<b>165.89</b>	<b>165.89</b>	<b>165.89</b>	<b>165.89</b>
11	<b>Other Equity</b>						<b>(1,464.27)</b>
12	<b>Earnings Per Share (EPS) (of ₹ 10/- each)</b>						
	Basic EPS (in ₹) (not annualised)	(16.6)	(10.1)	(3.5)	(26.7)	(5.7)	(220.7)
	Diluted EPS (in ₹) (not annualised)	(16.4)	(10.0)	(3.4)	(26.4)	(5.6)	(219.2)

## SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2019

(In ₹ Crores)

Particulars	Quarter Ended			Six Months Ended		Year Ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Segment Revenue</b>						
Enterprise Geospatial & Engineering Solutions	96.01	103.30	223.96	199.31	432.36	553.68
System Integration & Enterprise IT Solutions	278.58	260.28	402.47	538.86	830.60	1,607.61
<b>TOTAL</b>	<b>374.59</b>	<b>363.58</b>	<b>626.43</b>	<b>738.17</b>	<b>1,262.96</b>	<b>2,161.29</b>
Less: Inter segment revenue	-	-	-	-	-	-
<b>Net sales/Income From Operations</b>	<b>374.59</b>	<b>363.58</b>	<b>626.43</b>	<b>738.17</b>	<b>1,262.96</b>	<b>2,161.29</b>
<b>Segment Results Profit/ (Loss) before tax and interest from each segment</b>						
Enterprise Geospatial & Engineering Solutions	2.18	1.50	151.54	3.68	320.17	285.90
System Integration & Enterprise IT Solutions	(24.41)	(27.40)	41.76	(51.81)	73.35	(31.65)
<b>TOTAL</b>	<b>(22.23)</b>	<b>(25.90)</b>	<b>193.30</b>	<b>(48.13)</b>	<b>393.52</b>	<b>254.25</b>
<b>Unallocated</b>						
Less: Finance costs	195.04	219.49	170.88	414.53	329.57	846.57
Less: Bond Interest	-	-	-	-	-	-
Less/(Add): Exchange difference gain/(loss)	18.31	19.45	35.52	37.76	51.81	172.81
Less: Depreciation and amortization expense	61.87	63.85	63.66	125.72	127.27	253.17
Add: Un-allocable income	1.02	1.30	2.07	2.32	4.65	10.74
<b>Total Profit/ (Loss) Before Tax</b>	<b>(296.43)</b>	<b>(327.39)</b>	<b>(74.69)</b>	<b>(623.82)</b>	<b>(110.48)</b>	<b>(1,007.56)</b>
Exceptional Item	5.64	6.62	-	12.26	-	3,836.37
<b>Profit/(Loss) after exceptional item before tax</b>	<b>(302.07)</b>	<b>(334.01)</b>	<b>(74.69)</b>	<b>(636.08)</b>	<b>(110.48)</b>	<b>(4,843.93)</b>
Tax (Expense) / benefit	26.21	166.73	16.56	192.94	15.65	1,186.51
<b>Net Profit/ (Loss)</b>	<b>(275.86)</b>	<b>(167.28)</b>	<b>(58.13)</b>	<b>(443.14)</b>	<b>(94.83)</b>	<b>(3,657.42)</b>

Notes on segment information: Segmental Capital employed: Fixed assets used in the Company's business or liabilities contracted have not been identified to any particular reportable segment. The Company believes that it is currently not practical to provide segment disclosures relating to total assets and liabilities.



## STATEMENT OF UNAUDITED CONSOLIDATED ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2019

(In ₹ Crores)

Sr.No.	Particulars	September 30, 2019	March 31, 2019
1	<b>ASSETS</b>		
	<b>Non-current assets</b>		
a	Property, plant and equipment	2,934.38	2,958.97
b	Capital work-in-progress	-	-
c	Intangible assets	2,290.53	2,363.16

