

30<sup>th</sup> July, 2020**Script Code : ANSALAPI**

National Stock Exchange of India Ltd  
Exchange Plaza,  
Bandra-Kurla Complex,  
Bandra (East)  
Mumbai – 400 051

**Script Code: 500013**

BSE Limited  
25th Floor,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

**Reg.: a) Quarterly / Yearly Audited Financial Results for the Financial Year ended on the 31<sup>st</sup> March, 2020.**

**b) Outcome of the Board Meeting dated the 30<sup>th</sup> July, 2020 {i.e. today}, concluded at 11:20 P.M.**

**Ref: Regulations 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

Dear Sirs,

In reference to the captioned matter and further to our previous letter dated the 22<sup>nd</sup> July, 2020, please find enclosed herewith the following:

1. Quarterly / Yearly Audited Financial Results for the Financial Year ended on the 31st March, 2020 together with Consolidated Statement of Accounts comprising of audited Annual Accounts for the same accounting year of subsidiaries/joint venture companies and other companies in terms of Ind AS as **Annexure I**.
2. Copies of Auditors Reports (Standalone and Consolidated) submitted by the Statutory Auditors of the Company, M/s S.S Kothari Mehta & Company, Chartered Accountants, for the Financial Year ended on 31st March, 2020 as **Annexure II**.
3. Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results (Standalone and Consolidated) for the financial year ended on the 31st March, 2020 as **Annexure III**.

Further, with reference to the captioned subject, please note the following:-

1. Appointment of Shri Dinesh Chander Gupta (PAN: ACKPG2411M), B.Com (Hons) from Delhi University and PGDBM (Finance & Marketing) from Fore School of Management, New Delhi as Chief Executive Officer of the Company, with effect from the 30<sup>th</sup> July, 2020.
2. Approved the re-appointment of Smt. Jagath Chandra (DIN: 07147686), the existing Non-Executive Independent Woman Director, whose existing term is due to expire on the 09<sup>th</sup> November, 2020, for another term of 03 (three) years commencing from the 10<sup>th</sup> November, 2020 to the 09<sup>th</sup> November, 2023 (not liable to retire by rotation), subject to the approval of shareholders by way of passing a Special Resolution at the ensuing AGM, in terms of the applicable provisions of the Companies Act, 2013 & Rules framed there under and Listing Regulations.

**Ansal Properties & Infrastructure Ltd.**

(An ISO 14001 : 2004 OHSAS 18001 : 2007)

115, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi-110 001

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Website: www.ansalapi.com

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**Profile:** Smt. Jagath Chandra, a Science Graduate having highly skilled public relations and organizational abilities with more than four decades of demonstrated success. She has worked more exclusively in relocation of expatriates and foreign clients and has worked for reputed National and International Clients on consultancy basis.

3. The Next Annual General Meeting (AGM) of the Company is scheduled to be held on Monday, the 28<sup>th</sup> September, 2020, at 11.30 AM IST through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) at 115, Ansal Bhawan, 16 Kasturba Gandhi Marg, New Delhi-110001, which shall be the deemed venue of AGM.
4. Appointment of M/s MRKS and Associates, Chartered Accountants (ICAI Firm Registration No. 023711N) as Statutory Auditors in place of retiring auditors (M/s S.S Kothari Mehta & Co.) to hold office from the conclusion of Annual General Meeting (AGM) to be held on 28.09.2020 till the conclusion of 58<sup>th</sup> AGM of the Company to be held in the year 2025, subject to the approval of shareholders by way of passing an Ordinary Resolution at the ensuing AGM, in terms of the applicable provisions of the Companies Act, 2013 & Rules framed there under.
5. Board has not recommended any dividend for the Financial Year ended the 31st March, 2020.
6. The Company's Register of Beneficial Owners, Register of Members and Share Transfer Books shall remain closed from Monday, the 21<sup>st</sup> September, 2020 to Monday, the 28<sup>th</sup> September, 2020 (both days inclusive), to comply with requirements of the Companies Act, 2013 and the Companies {Management and Administration} Rules, 2014.
7. The Cut-off date for determining the members/shareholders who are entitled to vote through remote e-voting or voting at the Annual General Meeting shall be Tuesday, the 22<sup>nd</sup> September, 2020 in terms of provisions of Section 108 of the Companies Act, 2013 and Rule 20 of The Companies (Management and Administration) Rules, 2014 and the Secretarial Standard- 2 of Annual General Meeting.


This is for your information and record please.

Thanking you.

Yours faithfully,

For **Ansal Properties & Infrastructure Ltd.**

  
(Abdul Sami)  
General Manager (Corporate Affairs)  
& Company Secretary\*  
M. No. FCS-7135



Encl: as above

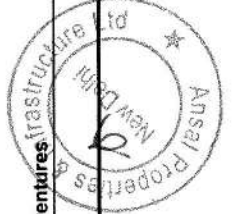
Annexure - 1

## ANSAL PROPERTIES &amp; INFRASTRUCTURE LTD.

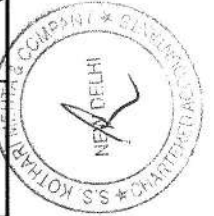
## AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2020

(Rs in Lakh)

Sl.No.	Particulars	STANDALONE						CONSOLIDATED							
		Quarter ended		Year ended		Quarter ended		Year ended		Quarter ended		Year ended			
		31/03/2020 (Audited)	31/12/2019 (Unaudited)	31/03/2019 (Audited)	31/03/2020 (Audited)	31/03/2019 (Audited)	31/03/2020 (Audited)	31/12/2019 (Unaudited)	31/03/2019 (Audited)	31/03/2020 (Audited)	31/03/2019 (Audited)	31/03/2020 (Audited)	31/03/2019 (Audited)		
I	Income														
	(a) Revenue from operations	23,397	21,408	37,134	79,438	61,358	39,617	27,983	44,553	1,11,746	81,168				
	(b) Other Income	387	212	1,021	1,545	3,517	1,081	499	1,601	2,779	4,271				
II	Total Income	23,784	21,620	38,155	80,983	64,875	40,698	28,482	46,154	1,14,525	85,439				
III	Expenses														
	(a) Consumption of Materials Consumed/ construction cost	22,784	12,309	27,843	58,078	41,606	33,980	13,771	31,488	73,523	50,664				
	(b) (Increase)/decrease in stock-in-trade and work in progress	1,406	(357)	324	2,967	(159)	1,406	(356)	324	2,967	(159)				
	(c) Employees benefits expense	305	315	299	1,416	1,718	508	504	534	2,265	2,580				
	(d) Finance Cost	1,888	2,290	2,680	9,064	12,497	5,659	3,653	4,438	17,277	17,851				
	(e) Depreciation and amortization expense	68	52	50	230	232	689	691	537	2,592	2,282				
	(f) Other Expenditure	7,178	5,929	5,820	18,538	11,970	11,508	8,958	9,569	34,139	22,886				
IV	Total Expenses	33,629	20,538	37,016	90,293	67,864	53,750	27,221	46,890	1,32,763	96,104				
V	Profit/(Loss) before exceptional items and tax (II - IV)	(9,846)	1,082	1,139	(9,311)	(2,989)	(13,052)	1,261	(736)	(18,238)	(10,665)				
VI	Exceptional Items														
	Provision for Impairment in value of Investments	9,132	-	2,184	9,132	2,184	7,106	-	2,184	7,106	2,184				
VII	Profit/(Loss) before taxes (V-VI)	(18,977)	1,082	(1,045)	(18,442)	(5,173)	(20,158)	1,261	(2,920)	(25,344)	(12,849)				
VIII	Tax expenses														
	-Current Tax	-	-	92	-	92	(1)	6	150	0	92				
	-Deferred Tax	2,185	16	(544)	1,883	125	984	(115)	(583)	625	(96)				
	-MAT	(120)	120	-	-	-	(172)	172	-	-	-				
	-Tax pertaining to earlier years	25	24	-	49	629	11	36	12	127	854				
	Total Tax	2,091	160	(452)	1,933	846	821	99	(421)	752	850				
IX	Profit/(Loss) after Tax (VII-VIII)	(21,068)	922	(593)	(20,375)	(6,019)	(20,980)	1,162	(2,499)	(26,096)	(13,699)				
X	Share of Profit/(loss) in Associates/Joint ventures														
	Net Profit/ (Loss) for the period (IX+X)	(21,068)	922	(593)	(20,375)	(6,019)	(20,980)	1,154	(2,512)	(26,115)	(14,024)				



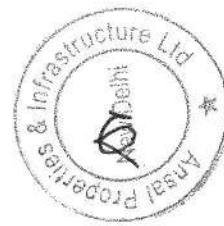
SL.No.	Particulars	Quarter ended		Year ended		Quarter ended		Year ended			
		31/03/2020 (Audited)	31/12/2019 (Unaudited)	31/03/2019 (Audited)	31/03/2020 (Audited)	31/03/2019 (Audited)	31/03/2020 (Audited)	31/12/2019 (Unaudited)	31/03/2019 (Audited)	31/03/2020 (Audited)	
XII	Profit/(Loss) attributable to: Owner of the Company	(21,068)	922	(593)	(20,375)	(6,019)	(20,528)	1,346	(1,397)	(24,122)	(11,667)
	Non controlling interest	-	-	-	-	-	(470)	(192)	(1,115)	(1,995)	(2,357)
XIII	Other Comprehensive Income/(Loss)(net of tax)	(974)	29	10	(968)	11	(535)	29	(16)	(528)	(13)
XIV	Total Comprehensive Profit/ (Loss) for the period[Comprising Profit/( Loss ) (after tax) and Other Comprehensive Income (XI+XIII)]	(22,041)	951	(583)	(21,342)	(6,008)	(21,532)	1,183	(2,528)	(26,644)	(14,037)
XV	Total Comprehensive Income/(Loss) for the period [Comprising Profit / (Loss) (after tax) and Other Comprehensive Income attributable to: Owner of the Company	(22,041)	951	(583)	(21,342)	(6,008)	(21,062)	1,358	(1,413)	(24,649)	(11,680)
	Non controlling interest	-	-	-	-	-	(470)	(175)	(1,115)	(1,995)	(2,357)
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	7,870	7,870
XVII	Reserves excluding Revaluation Reserves as per balance sheet of the previous accounting year	-	-	-	13,106	34,449	-	-	-	(19,292)	11,735
XVIII	Earning Per Share(EPS) (Rs.) ( not annualized ) Before Extraordinary Items	(13.38)	0.60	(0.38)	(12.94)	(3.82)	(13.33)	0.75	(1.60)	(16.58)	(8.70)
	(a) Basic	(13.38)	0.60	(0.38)	(12.94)	(3.82)	(13.33)	0.75	(1.60)	(16.58)	(8.70)
	(b) Diluted	(13.38)	0.60	(0.38)	(12.94)	(3.82)	(13.33)	0.75	(1.60)	(16.58)	(8.70)
	After Extraordinary Items	(13.38)	0.60	(0.38)	(12.94)	(3.82)	(13.33)	0.75	(1.60)	(16.58)	(8.70)
	(a) Basic	(13.38)	0.60	(0.38)	(12.94)	(3.82)	(13.33)	0.75	(1.60)	(16.58)	(8.70)
	(b) Diluted	(13.38)	0.60	(0.38)	(12.94)	(3.82)	(13.33)	0.75	(1.60)	(16.58)	(8.70)



Notes:

- 1). The audited financial (Standalone and Consolidated) results for the Quarter and year ended 31<sup>st</sup> March, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 30<sup>th</sup> July, 2020. The said results are audited by the Statutory Auditors of the Company.
- 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 Company has adopted Ind AS-116 'Leases' effective 1st April, 2019. This has resulted in recognizing a Right-of-Use Asset and a corresponding Lease Liability. The impact on the profit for the quarter and nine months period ended 31<sup>st</sup> March 2020 is not material.
- 5). The Company during the year ended 31<sup>st</sup> March 2020 on Standalone basis has reduced its Principal Loan amount (without interest) due to Banks /FIs/NBF/Fixed Deposit/ICD by Rs. 61.64 Cr.
- 6). The corresponding previous year /period have been regrouped, rearranged, and reclassified, wherever necessary.
- 7). During the current year, the Company has transferred shares of Joint venture Green Max Limited on September 10, 2019. Hence, the Company has taken the impact of this transaction in consolidated financial result according to the applicable Indian Accounting Standards for the year ended March 31, 2020.
- 8) During the period under review the Ansal Properties and Infrastructure Limited ("Company") has not claimed any exemption under section 80 IA of the Income Tax Act, 1961. Exemption amounting to Rs. 34.48 Cr has been claimed up to the year ended 31<sup>st</sup> March, 2011 under section 80 IA of the Income Tax Act, 1961 being tax profits arising out of sale of Industrial Park units, pending the notification of the same by Central Board of Direct Taxes. The Competent Authority has not approved application of the Company. The Company has filed the Review Petition against the direction of Authority to reconsider its application. The Company has taken the opinion that the Review Petition, as filed, satisfies all the conditions specified under Industrial Park Scheme, 2008 being replaced under Industrial Park (Amendment) Scheme, 2010, hence, eligible for notification under section 80 IA (4) (iii) of the Act.

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31



**Draft Notes:**

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9) The matter regarding repayment of Public Deposits and Interest thereon is pending before the Hon'ble National Company Law Tribunal, North Delhi Bench on an application filed by the Company for appropriate extension or relief in the scheme of repayment already sanctioned by Hon'ble Company Law Board {CLB} vide their letter dated December 30, 2014 and April 28, 2016. The next date of hearing is 17.08.2020.

10) As per section 73(2) of the Companies Act 2013 read with Order of National Company Law Tribunal (NCLT) dated 30 December 2014, the Company is required to deposit at least 6% of the amount of Public deposits maturing during the next following financial years before 30 December 2019 and kept in a schedule bank in a separate bank account as liquid funds and shall not be utilized for any purpose other than repayment of Public Deposits. Accordingly, the Company has to deposit to Rs. 5.97 Cr with the Schedule Bank, however, the Company has applied before NCLT and has received the exemption till the financial year ending 2021 to maintain such liquid assets.

11) Bank-wise details are as under: -

a) In case of Bank of Maharashtra, the Company has entered into a one time settlement (OTS) of Rs. 35.70 Crs. by depositing and has till date paid Rs.5.10 crs. As per OTS, the Company has to make full payment by Sep'20. But due to Covid 19 epidemic, the company has requested the bank to extend the period of repayment by 6 months, i.e., by March'21. The Company proposes to pay the full amount to the Bank by selling the plots under DDJAY. Bank has filed a case in DRT & NCLT against the Company in this regard. The Company has approached the Bank to withdraw the cases. Next date of hearing in DRT is 31-07-20.

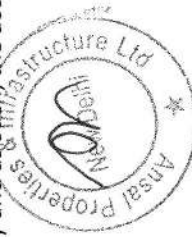
b) IFS financial Services Limited ("IFIN") has filed an application in NCLT against the Company. The Company has proposed to pay Rs. 155 Crs. (which include the value of plots purchased by IFIN) to IFIN over a period up to March, 2021. DMI Alternate Fund has agreed to purchase a few FSIs and Golf Plots from the Company and out of that amount the Company has offered IFIN an exit. Part amount will be paid from receivables from FSI Buyers. We are in the process of finalizing and signing the Settlement Deed with IFIN. The next date of hearing is 23-08-2020.

c) Allahabad Bank has in principle agreed to the Company's proposal for restructuring of outstanding loan which is Rs.103.60 Cr. provided it is less than Rs. 100 Crs. Since February, 2019, the Company has paid a sum of Rs. 4.04 Cr. to the Bank and Bank wants the Company to reduce the loan further by approx. 4 Crs. further so that it may get the loan restructured. The Case filed by the Bank in DRT is pending. Next date of hearing is 03-08-2020.

d) The Company had availed a loan of Rs. 7.00 Cr. from Bank of India for Bliss Delight Project, Lucknow, which has become NPA. The company is in the process of transferring the project to another Developer who is also taking over Bank's loan. The Bank has also filed the case in DRT.

e) The Company is availing Working Capital facility - Funded Rs. 31 Cr. and Bank Guaranty facility of Rs. 19.5 Cr. from Jammu & Kashmir Bank. There are over dues of Rs. 3.23 Cr. in the funded facility and as such, the account is classified as NPA. Out of the one facilities of Rs. 18 Cr. is against Havana Heights. The

7



agreement to sell this project has been arrived at with buyer and as soon as NOC from Bank is received, full loan of Rs.18 Cr. will be repaid and balance of Rs. 17.15 Cr. will be regularized

f) Ansal API Infrastructure Ltd. (AAIL), a wholly owned subsidiary company, has taken a loan of Rs. 390 Cr. from Pooled Municipal Debt Obligations Facility (PMDO) contributed by 15 lenders. The present principal outstanding is approx. Rs. 273 Cr. plus overdue interest. The account is in NPA category. AAIL has given a proposal to PMDO to release a small part of the security against payment of approx. Rs.30 Cr. and the balance over a period of next 36 months. The matter was considered in the last Committee Meeting of PMDO and principally okayed by it. Now in the next Committee meeting, it may be approved.

Out of the fifteen lenders, the total outstanding loan of the corporation bank is Rs.12.53 Cr. which includes overdue interest of Rs.2.38 Cr. Corporation Bank has taken the Subsidiary Company to NCLT. The Corporation Bank had also filed a case in DRT which was dismissed. The company has paid a sum of Rs. 2 Cr.

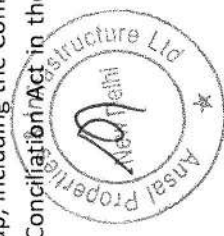
12) The Company has taken a loan of Rs. 45 Cr. and now the outstanding principal is Rs. 37 Cr. from Indian Bank, Lucknow, for construction of Golf Gateway Towers, Sushant Golf City, Lucknow. Due to change in height of the tower, FSI area of the project was reduced and therefore the Company has decided not to further construct the project. The Bank declared the loan as NPA. The Company has given proposal for One Time Settlement and on the advise of the Bank Company has deposited a sum of Rs. 3.70 Cr. being 10% amount of the outstanding principal amount and financial arrangement for remaining amount has already been tied-up.

13) The Company has received notices from UP RERA Authority for de-registering six projects out of 91 projects registered in Sushant Golf City, Lucknow. These notices are on the ground of a) not adhering of 70:30 sharing of Customer Collections, b) not providing the correct and complete information on the Web site of UP RERA in respect to these projects, c) not providing quarterly information to RERA Authorities. The Company has submitted a detailed reply and has undertaken to provide and upload all relevant factual information on quarterly basis as per RERA guidelines. UP RERA has put a fine of Rs. 1.00 Cr. and withhold its decision to deregister 6 properties. We have represented against the Orders of UP RERA.

14) 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 the Arbitration clause in respect of its dispute. Meanwhile, the Company and the investor are trying to resolve it amicably outside the Court.

15) During the quarter ended 30 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 Cr along with interest amounting to Rs.105.08 Cr. Ansal Group has filed the petition U/s. 34 of Arbitration & Conciliation Act in the High Court to challenge the Award including levy of interest. Based on legal opinion, the

8





Company is of the view that it has a good case. Accordingly, Contingent Liability has been recognized in the financial statements of the Company. In the interim, the Landmark group has filed a petition for execution of the Award, stating decretal amount of Rs. 189 cr as on 31.08.2019 and the promoter directors of the Company have been directed to file an affidavit of their assets. Further, in partial compliance with the earlier order of the Hon'ble High Court, the Company has deposited an amount of Rs. 8.76 cr. in the Registry of the Delhi High Court. Further, balance sale consideration of Rs. 28.29 cr shall be deposited in the Registry of the High Court as per the agreement with the buyer. The next date of hearing before Hon'ble High Court is (legal to give the date) Both the parties are also negotiating for settlement of the dispute out of the Court.

- 16) In the books of Ansal Landmark Township (P) Ltd., a subsidiary of the Company, an amount of Rs. 61.56 Cr. is recoverable from M/s. Ansal Landmark (Karnal) Township Pvt. Ltd. Based on management assessment of cash flow of Karnal Project, there is no impairment in the value of the said recoverable amount.
- 17) Ansal Hi-tech Townships Limited, a subsidiary of the Company had filed a case in Mumbai High Court against (Peninsula Brook Field) for non-disbursement of Rs. 100 Cr NCDs, and resultant damages of Rs. 250 Cr. Peninsula Brook Field also through their Debenture Trustee Vistra ITCL filed a case for recovery of their dues before the Mumbai High Court against the Company, which has provided Corporate Guarantee. The Company offered in the Court that they are ready to sell four properties which are mortgaged to the said debenture holder. The Company has sold one property & entered into ATS for sale of second property with DMART for Rs. 23.61 Crs. Peninsula Brookfield has also filed a case in NCLT on 17 October, 2018 for the recovery of their dues against the Subsidiary – Ansal Hi-Tech Townships Ltd. The next date of hearing in NCLT is 08-07-2020. Meanwhile, the Company along with one group company, namely Ansal Colonizers and Developers Pvt. Ltd has purchased NCDs of the principal amount of Rs.29.02 Cr. by way of barter of properties and down payment. The Company is also negotiating for One Time Settlement with the Peninsula so that all the cases by both the parties may be withdrawn. The Company has paid Rs. 6.50 Crs. in the Escrow Account of Lender. Commercial of the OTS are under finalization.
- 18) Star Facilities Management Limited, the wholly owned subsidiary of the Company has made investment of Rs. 40 Lakhs in Equity Shares of Pro-Facilities Services Private Limited and presently holds 40% stake in this Company. However, the investee company is mis managing its affairs and the company has filed petition for oppression and mismanagement of affairs against investee Company. The Same is pending presently with NCLT.
- 19) During the year, the Company has sold its investments in one of the Joint Venture 'Green Max Estate Private Limited'. Hence, the financial statements of the same is not consolidated in the Group.
- 8) The accumulated losses of the Company as on March 31, 2020 is Rs. 103692 lakhs (these accumulated losses were partly due to the reversal of earlier profits of Rs. 117519 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 March 31, 2020, 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



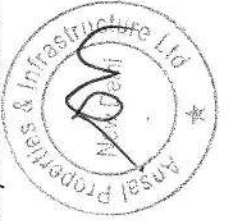
deducted at source and ongoing claims / settlements of various counterparties. Due to recession in Real Estate Industry, the Company continues to face liquidity issues due to multiple repayments and statutory obligations. The Company is taking following actions to improve liquidity and generate profitability: following actions to cope up existing uncertainty, although there is no impact on going concern:

- a. To make settlement with Banks/ lenders / Investors through barter deal by offering land parcel
  - b. Converting existing license of built up development in to Plotting development under Deen Dayal Jan Awas Yojna (DDJAY) for quick realizations of funds.
  - c. Bulk sale of plots to settle lenders.
  - d. Shifting of existing customers in the project of other developers where ready to move inventory exist.
  - e. To make suitable change from constructing multi story buildings to SCOs with common design.
  - f. Approaching SBI Capital under recently launch Government scheme for real estate for our projects
- 9) Due to Covid-19 pandemic, the management of Company was not able to perform year-end physical verification of inventory at certain locations. However, the Company has conducted the physical verification subsequent to the year end.

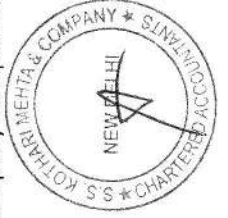
10) The Management's response to qualifications in the Audit Report for the quarter / year ended 31<sup>st</sup> March, 2020 are as under:

- i) Ansal Hi-tech Townships Limited, a subsidiary of the Company has not made provision of interest of Rs. 9.57 Cr for the quarter ended March 31, 2020 and 26.21 Cr for the year ended March 31, 2020 on outstanding debenture of Rs. 170.98 Cr respectively because settlement with the debenture holders are under process.
- ii) On 31st July 2019, ICICI Prudential has withdrawn the application filed before NCLT for invoking insolvency proceedings against a subsidiary company Ansal Landmark Townships Pvt Ltd. Further, based on the Terms of Settlement arrived at between the subsidiary company and ICICI Prudential with respect to the outstanding amount of debentures and interest, and the management representation in this regard, the subsidiary company's liability to pay the default interest amounting to Rs. 14.20 crores may not arise and accordingly the same has not been provided in the financial results. Further, interest (incl. default interest) on ICICI Prudential debentures amounting to Rs. 4.78 cr has not been provided during the quarter ended 31.12.2019 based on favourable developments during the quarter ended 31.12.2019 which support management contention of a likely reduction in rate of interest after negotiation with ICICI Prudential and consequent reversal of interest booked and payable as on 31.03.2019.

iii) The Company is liable to pay Rs. 143.74 Cr and Rs. 15.38 Cr against purchase of inventory in the Financial Year 2011-12 and advances respectively to Ansal Township Infrastructure Ltd, a subsidiary company. The Auditor of the subsidiary company has qualified the report by mentioning interest @ 18% as applicable



31



to other customers. However, the Company has in the view that amount is not payable as per the agreement. Further ATIL is settling the Investor by buying the full investment. Therefore, the company has not made provision for interest of Rs.254 lakhs on the above amount.

iv) In terms of order dated 17.03.2020 passed by Hon'ble NCLT, Principle Bench Delhi, CIRP proceedings initiated against Ansal Properties and Infrastructure Limited, Promoter Mr. Sushil Ansal Filed appeal against this order before NCLAT New Delhi vide Company Appeal( AT)( Insolvency)No. 482 of 2020. NCLAT passed the Order dated 20.03.20 that an Interim Resolution Professional ( IRP) will continue with CIRP process to two projects i.e. UPREREA PRJ7108 & UPRERAPRJ7040 and shall not constitute Committee of Creditors. Hereafter, the claimant Ashok tripathi and Mr. Sushil Ansal filed joint with drawl application before NCLAT. The matter was argued in finality on 14.07.20 where order is reserved. The Company is confident that Order will be in its favour on merits.

v) M/s.Rising Straits Capital Advisors LLP, which has invested in Ansal Phalak Infrastructure Pvt. Ltd. through its foreign associates had referred the matter to an Arbitrator on their observations. Thereafter both the parties entered into a settlement on the basis of which an interim Award was given by the Arbitrator. As per the settlement M/s. Rising Straits have converted CCDs so that 93% of the equity of M/s. Ansal Phalak Infrastructure (P) Ltd is now held by M/s. Rising Straits. Hence Ansal Phalak Infrastructure Pvt. Ltd. is no more subsidiary of our company. Further the complete business of 38 acres and 51 acres in Versalia, Gurgaon have been transferred to APIL against which developed plots in 51 acresin Versalia, Gurgaon have been transferred to Ansal Phalak Infrastructure Ltd Besides this some more properties and receivables are being transferred as per the BTA signed with Ansal Phalak Infrastructure Ltd. As per interim Award K.P.M.G is conducting audit Ansal Phalak Infrastructure Pvt. Ltd. to ascertain shortfall amount, if any

11) During the year, on the basis of the assessment of the impairment in the value of the investments in the subsidiaries, the Company has made provision of impairment in the value of Ansal SEZ Projects Limited for Rs. 9132 lakhs which has been disclosed as exceptional items in the financial results.

Place: New Delhi

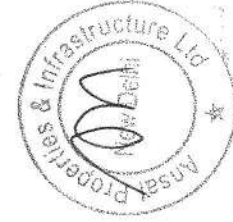
Date: 30<sup>th</sup> July, 2020

for and on behalf of the Board

  
(Sushil Ansal)

Chairman

DIN-00002007



**Certified True Copy**

For Ansal Properties and Infrastructure Limited

  
Abdul Sami

General Manager (Corporate Affairs) &  
Company Secretary

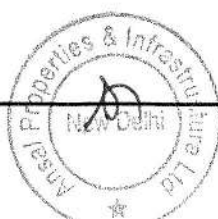
Membership NO: FCS-7135

**ANSAL PROPERTIES & INFRASTRUCTURE LIMITED**

**STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2020**

Rs. in Lakh

	STANDALONE		CONSOLIDATED	
	As at 31.03.2020 (Audited)	As at 31.03.2019 (Audited)	As at 31.03.2020 (Audited)	As at 31.03.2019 (Audited)
<b>Assets</b>				
<b>(1) Non - current assets</b>				
(a) Property, plant and equipment	1,348	1,345	42,251	44,138
(b) Capital work - in - progress	-	-	7,973	7,229
(c) Investment Property	59	197	59	197
(d) Other intangible assets	14	15	14	15
(e) Goodwill	-	-	16,587	23,694
(f) Financial assets				
(i) Investments	55,454	62,932	5,349	4,217
(ii) Trade receivables	-	-	7,129	6,523
(iii) Loans	170	178	655	459
(iv) Others	3,703	2,659	4,345	3,265
(g) Deferred tax assets (net)	881	2,763	3,685	4,901
(h) Other non - current assets	41,560	36,414	27,277	32,305
<b>Total non - current assets</b>	<b>1,03,189</b>	<b>1,06,503</b>	<b>1,15,326</b>	<b>1,26,943</b>
<b>(2) Current assets</b>				
(a) Inventories	3,86,115	3,68,938	5,51,458	6,22,150
(b) Financial assets				
(i) Investments	-	-	-	-
(ii) Trade receivables	8,502	17,278	12,111	19,095
(iii) Cash and cash equivalents	1,325	1,611	1,765	2,222
(iv) Bank balances	-	-	3	511
(v) Loans	2,490	3,894	2,885	4,278
(vi) Others	787	663	2,091	2,589
(c) Current tax assets (net)	3,557	2,858	4,174	3,468
(d) Other current assets	68,754	71,183	59,229	53,671
<b>Total current assets</b>	<b>4,71,530</b>	<b>4,66,425</b>	<b>6,33,716</b>	<b>7,07,984</b>
<b>Total assets</b>	<b>5,74,719</b>	<b>5,72,928</b>	<b>7,49,042</b>	<b>8,34,927</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
(a) Equity share capital	7,870	7,870	7,870	7,870
(b) Other equity	13,106	34,449	(19,292)	11,735
(c) Non controlling interest	-	-	3,784	6,687
<b>Total Equity</b>	<b>20,976</b>	<b>42,319</b>	<b>(7,637)</b>	<b>26,292</b>
<b>Liabilities</b>				
<b>(1) Non - current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	8,463	12,394	28,127	74,755
(ii) Trade payables	-	-	15,128	-
(iii) Other financial liabilities	623	545	2,927	10,873
(b) Provisions	1,885	1,861	-	2,918
(c) Deferred tax liabilities (net)	-	-	-	-
(d) Other non-current liabilities	26	26	9,583	6,834
<b>Total non - current liabilities</b>	<b>10,997</b>	<b>14,826</b>	<b>55,766</b>	<b>95,380</b>
<b>(2) Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	3,653	3,396	5,350	5,741
(ii) Trade payables				
(a) Total outstanding dues of Micro Enterprises & Small Enterprises	-	0	89	146
(b) Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	1,00,564	75,362	97,975	64,532
(iii) Other financial liabilities	56,738	53,650	1,10,642	1,23,630
(b) Other current liabilities	3,81,329	3,82,795	4,86,279	5,18,511
(c) Provisions	462	580	579	695
<b>Total current liabilities</b>	<b>5,42,746</b>	<b>5,15,783</b>	<b>7,00,914</b>	<b>7,13,255</b>
<b>Total equity &amp; liabilities</b>	<b>5,74,719</b>	<b>5,72,928</b>	<b>7,49,042</b>	<b>8,34,927</b>



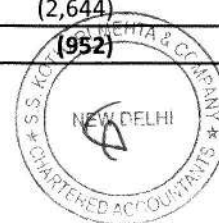
12

**ANSAL PROPERTIES & INFRASTRUCTURE LIMITED**

CIN - L45101DL1967PLC004759

Cash flow statement for the year ended March 31, 2020 (Standalone)

	STANDALONE	
	For the year ended March 31, 2020	For the year ended March 31, 2019
	Rs. in lakh	Rs. in lakh
<b>Cash flow from operating activities:</b>		
profit/(Loss) before tax	(18,443)	(5,173)
Depreciation & amortization	230	232
Interest & finance charges	9,163	12,469
Interest income	(870)	(791)
Amounts written back	(584)	(929)
Amounts written off	247	1,505
Provision for Impairment in the value of Investments	9,132	2,184
Provision for Doubtful debts	1,637	-
Profit on sale of Long Term Investments	(326)	-
Loss on sale of property, plant & equipment	38	206
Profit on sale of property, plant & equipment	(317)	(2,319)
<b>Operating profits before working capital changes</b>	<b>(94)</b>	<b>7,384</b>
Adjusted for:		
Increase/(Decrease ) in trade payables & others	26,121	(88,261)
(Increase)/Decrease in inventories	(17,177)	5,866
(Increase)/Decrease in trade and other receivables	7,139	87,018
(Increase)/Decrease in loans and advances & other assets	(2,721)	6,788
<b>Cash generated from operations</b>	<b>13,267</b>	<b>18,796</b>
Taxes paid	(748)	(2,544)
<b>Net cash generated from operating activities</b>	<b>12,519</b>	<b>16,252</b>
<b>Cash flow from Investing activities:</b>		
Interest received	870	791
Proceeds from fixed deposit with bank		
Proceeds from sale of property plant & equipment	479	2,169
Amount paid for purchase/proceeds of property plant & equipment	(3)	1,820
Proceeds from sale of investments	346	-
Change due to business combination		
Amount paid for purchase of Debentures/Investments	(2,644)	(1,246)
<b>Net cash generated from investing activities</b>	<b>(952)</b>	<b>3,534</b>



2

1 (13)

**ANSAL PROPERTIES & INFRASTRUCTURE LIMITED**

CIN - L45101DL1967PLC004759

**Cash flow statement for the year ended March 31, 2020 (Standalone)**

**Cash flow from financing activities:**

Interest & finance charges paid	(5,466)	(8,625)
Proceeds/(repayment) from short term borrowings	256	(681)
(Repayment)/proceeds from long term borrowings	(6,419)	(10,776)
Payment of Lease Rentals-Principle & Interest	(83)	-
Repayment of long term borrowings		
<b>Net cash used in financing activities</b>	<b>(11,712)</b>	<b>(20,081)</b>
Net (decrease)/increase in cash and cash equivalents	(144)	(294)
Cash and cash equivalents at the beginning of the year	998	1,292
Cash and cash equivalents at the end of the year	<b>854</b>	<b>998</b>

**Components of cash and cash equivalents**

	As at March 31, 2020 Rs. in lakh	As at March 31,2017 Rs. in lakh
Cash on hand	48	19
Cheques in hand	100	77
Balances with schedule banks		
in current accounts	1,177	1,514
Others	-	-
Non current bank balances	-	-
Books overdraft	(471)	(613)
<b>Net cash and cash equivalents</b>	<b>854</b>	<b>998</b>



For the year ended  
 03/31/2020  
 Rs. in Lakhs

**Cash flow from operating activities:**

<b>Net (loss)/profit before tax</b>	-25,344
Other Comprehensive Income	
Depreciation	2,592
Interest & finance charges	17,277
Interest income	-915
Amount written off	247
Amounts written back	-754
Profit on sale of fixed assets	-703
Provision of doubtful debts	1,637
Impairment of goodwill	7,106
Profit for associate	-19
	<u>1,123</u>

**Operating profits before working capital changes**

Adjusted for:	
Trade payables & others	20,345
Inventories	-6,854
Trade and other receivables	5,780
Loans and advances & other assets	1,197
Other financial liabilities	-10,496
	<u>9,972</u>

**Cash generated from operations** 11,096

Taxes paid	-407
<b>Net cash from/(used in) operating activities</b>	<u>10,689</u>

**Cash flow from Investing activities:**

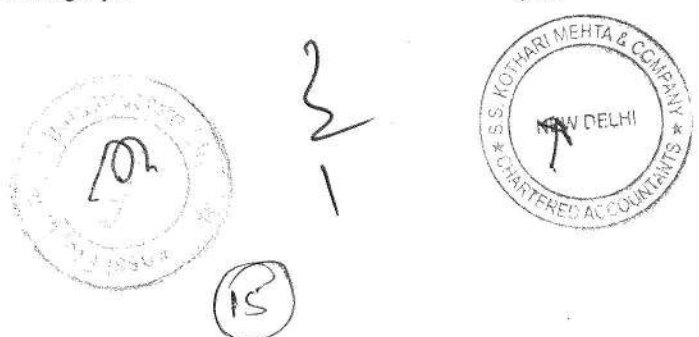
Interest received	915
Proceeds from fixed deposit with bank	-1,034
Addition in plant property and equipment and other intangible asset	-456
Sale of plant property and equipment and other intangible asset	754
Impact of change of control account	1,445
Amount received from JV share sale	346
Premium paid on subsidiary denture purchase	-744
Change in control	
<b>Net cash from investing activities</b>	<u>1,225</u>

**Cash flow from financing activities:**

Interest & finance charges paid	-1,505
Lease Payment - Principle	-83
(Repayment)/proceeds from short term borrowings	-391
(Repayment)/proceeds from long term borrowings	-10,265
<b>Net cash from / (used in) financing activities</b>	<u>-12,243</u>

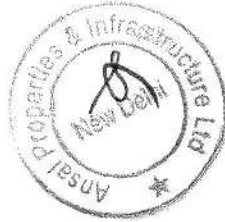
Net (decrease) in cash and cash equivalents -329

Cash and cash equivalents at the beginning of the year	2,010
Transfer under BTA	-535
<b>Cash and cash equivalents at the closing of year</b>	<u>1,145</u>



Components of cash and cash equivalents

Cash on hand	114
Cheques in hand	100
Balances with schedule banks on current accounts	1,415
Deposit	135
Non current bank balances	3
Book Overdraft	-623
Net cash and Cash equivalents	<u>1,145</u>



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Annexure - II  
(1/2)

**SS KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

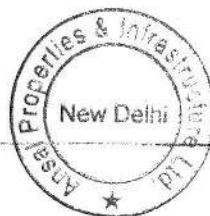
Independent Auditors' Report on the Quarterly and Year to Date Audited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To  
The Board of Directors of  
Ansal Properties & Infrastructure Limited

Report on the Audit of the standalone Financial Results

**Qualified Opinion**

1. We have audited the accompanying standalone financial results of **Ansal Properties & Infrastructure Limited** (the "Company") for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("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. In our opinion and to the best of our information and according to the explanations given to us, the statement:
  - i. are presented in accordance with the requirements of the Listing Regulations, as applicable to the Company in this regard; and
  - ii. except for the effects of the matter described in the "Basis for Qualified Opinion" paragraph below, give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of the loss and other comprehensive loss and other financial information of the Company for the quarter ended March 31, 2020 and for the year ended March 31, 2020 and the statement of assets and liabilities and the statement of cash flows as at and for the year ended March 31, 2020.
3. **Basis for Qualified Opinion**
  - a. We draw attention to Note 22 (iii) of the Statement wherein the Company has purchased properties aggregating to Rs. 16078 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 profit and financial position of the Company and hence not commented upon.
  - b. We draw attention to Note 22 (iii) of the Statement wherein ATIL has not made provision for interest receivable on advance of Rs. 1621 lakhs given to the Company. One of the minority investor shareholder 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. The interest receivable amounts to Rs. 253 lakhs for period ended March 31, 2020 from the Company. The Company has not made any provision for interest payable of Rs.253 lakhs to ATIL. As a result, loss of the Company and its liabilities are understated by this amount.



**SS KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

- c. We draw attention to note no 22 (iv) to the Statement wherein as per Order dated March 17, 2020 of National Company Law Tribunal (NCLT), Interim Resolution Professional (IRP) was appointed on the Company on the basis of complaint filed by two customers who claimed an amount was Rs. 84.99 lakhs. The Company had challenged the said Order of NCLT at National Company Law Appellate Tribunal (NCLAT) at Delhi. NCLAT vide its Order dated March 20, 2020 has appointed IRP restricting it only on two real estate projects at Lucknow and also stayed constitution of Committee of Creditors (COC) till it passes its next Order. In the interim, the Company has made payment to the claimants clearing their entire claimed amount and subsequent to this payment filed a joint settlement before NCLAT for removal of IRP. NCLAT concluded its hearing on July 14, 2020 but reserved its Order. Till the final order is issued by the NCLAT, we are unable to comment on its possible impact on the functioning of the Company with regard to those two projects and its financial statements.
- d. We draw attention to note no 22 (v), during the current quarter, the Company has entered into a business transfer agreement (BTA) between PE investor in Ansal Phalak Infrastructure Private Limited (APIPL) subsidiary of the Company on the basis of interim arbitration award/ master settlement agreement (MSA). As per 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.

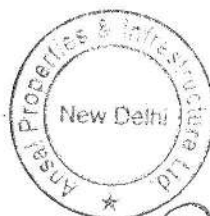
The final arbitration award will be subject to final audit report of KPMG appointed as per section 26 of the Arbitration Act. KPMG will audit all the transactions undertaken since incorporation. Any shortfall or excess of amount payable or receivable due to their findings will be adjusted subsequently. We have been informed by the Company that the audit of KPMG is under progress. The Company has already booked a loss of Rs. 6920 lakhs in the statement. The final amount will be determined subsequent to the report of KPMG not ascertainable at this stage and hence not recorded.

- e. We further report that, without considering items mentioned at para (a), (c) and (d) above, the effect of which could not be determined, had the observations made by us in para (b) above been considered, the loss for the year would have been Rs.21596 lakhs (as against the reported figure of Total comprehensive loss of Rs. 21,342 lakhs), current financial liabilities would have been Rs. 56,992 lakhs (as against the reported figure of Rs. 56,738 lakhs) and debit balance of reserves and surplus would have been Rs. 1,12,074 lakhs (as against the reported figure of Rs. 1,11,820 lakhs).
4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

**5. Emphasis of Matter**

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

- a. Refer Note 8 of the Statement, the Company had claimed a cumulative exemption of Rs. 3,448 lakhs up to the period ended March 31, 2011, continuing up to the end of current period, under section 80 IA of the Income Tax Act, 1961 being tax profits arising out of sale of Industrial Park units, pending the



18



**SS KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

notification of the same by Central Board of Direct Taxes (Competent Authority). 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.

- b. Refer Note 9 of the Statement, pursuant to Orders of the Company Law Board (CLB) dated the December 30, 2014 and April 28, 2016, the Company was required to refund all its public deposits as per the schedule. Further, as per National Company Law Tribunal Order dated January 13, 2017 and in response to an application filed by the Company, as amended/extended from time to time, the Company was required to repay Rs. 200 lakhs per month (Rs. 100 lakhs per month from January 2019 onwards) as per revised schedule. As on March 31, 2020 an amount of Rs. 1988 lakhs is due for payment (out of total outstanding principal of Rs. 9327 lakhs). The Company's petition regarding revised schedule for repayment of deposits and interest thereon is pending before NCLT. Next date of hearing is 17.08.2020
- c. Refer Note 10 of the Statement, wherein as per section 73(2) of the Act read with Order of National Company Law Tribunal (NCLT) dated 30 December 2014, the Company is required to deposit before April 30, 2019 at least 6% of the amount of Public deposits maturing during the following financial year and be kept in a schedule bank in a separate bank account as liquid funds and shall not be utilized for any purpose other than repayment of Public Deposits. However, the Company has not deposited such amount aggregating to Rs. 597 lakh with the Schedule Bank for the year ended March 31, 2019 as the Company has got exemption for the same vide NCLT Order dated February 20, 2020.
- d. Refer Note 14 of the Statement, wherein IIRF India IRF 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. 7934 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 in respect of its dispute. The matter is subjudice.
- e. Refer Note 11 & 12 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 (SREAFESI) the following banks have issued notices the details of which are as follows:
- i. One of the lender banks "Allahabad Bank" (the Lender) has classified the bank accounts of the Company as Non - Performing Assets (NPA) and has demanded the entire amount of Rs. 11,929 lakh due towards the banks outstanding as on May 19, 2017 being the date of the order including interest and penal charges. The bank has filed case against the company in Debts Recovery Tribunal (DRT). Next date of hearing is 03<sup>rd</sup> August 2020.
- ii. In addition to above Lender, three more banks, have classified the bank accounts of the Company as Non - Performing Assets (NPA) and have demanded the entire amount of Rs. 9066 lakhs due towards the banks outstanding as on September 12, 2018, October 08, 2018, November 29, 2018 and May 08, 2018 including interest and penal charges. As explained to us, the Company is not in agreement with the contention of these lenders. The company has



**SS KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

entered into one time settlement agreement with one of the lenders and is in discussions with the other two lenders to resolve the matter.

- iii. The Company has taken working capital/overdraft facility from Jammu & Kashmir (J & K) Bank Limited aggregating to Rs.3423 lakh including overdue interest of Rs. 323 lakh. The above mentioned overdue interest is classified as NPA by the J & K Bank.
- iv. The IL & FS Financial Service Limited ("IFIN") has filed an application in NCLT against the recovery of its dues of Rs. 15500 lakh against the Company. The Company is in discussion with IFIN to resolve the matter. Next hearing is scheduled on August 23, 2020.
- f. Refer Note 17 of the Statement, the Company and the debenture holder of a subsidiary Company Ansal Hi-tech Township Limited (AHTL) having overdue principal amount of Rs. 17,098 lakhs have filed cases on each other for their dues/ claims in Hon'ble Mumbai High Court. The Company has given corporate guarantee to the debenture holder on behalf of the AHTL. The debenture holder has moved an application with NCLT under Insolvency & Bankruptcy Code. The Company is in the process of settling this dispute and the matter is subjudice.
- g. Refer Note 15 of the Statement, wherein the Company has received an Arbitration Award relating to litigation with Landmark Group wherein the Company is jointly and severally liable to pay an amount of Rs.16,086 lakh. The Company has sought legal recourse. Details with regard to payment and legal issues are explained in the said note. Based on the legal advice the Company is hopeful of a favourable outcome and the matter is subjudice.
- h. Refer Note 13 of the Statement, UP – RERA (the authority) had appointed Currie & Brown India Private Limited, Gurgaon (CBIPL) as auditor for conducting forensic audit of 91 projects of the Company in Lucknow. CBIPL has submitted its report to the Authority which states diversion of funds by the Company to the tune of Rs. 606 crores, non - compliances relating to non – adherence to deposit of fixed percentage of amount received from customers in escrow account as per provision of Real Estate (Regulation & Development) Act, 2016 & non – submission of quarterly information/ submitting incorrect information at the time of registration of the projects etc. The Authority has issued four Show Cause Notices (SCN) in March 2019 and two SCNs on May 01, 2019 to the Company for de - registration of its six projects due to above mentioned observations in the forensic report submitted by CBIPL. The Company has submitted its replies to the SCNs denying any diversion of funds and non-adherence in depositing fixed percentage of amount received from customers in escrow account as per provision of Real Estate (Regulation & Development) Act, 2016. As regards, non – submission of quarterly information/ submitting incorrect information at the time of registration of the projects is concerned, the Company has given the undertaking to provide the necessary information to the Authority. Based on the replies submitted by the Company, the Authority has passed an Order to put on hold its notice of deregistration of six projects. No decision has been taken on this as on date of issue of this report. In addition, the Authority has imposed a fine of Rs. 100 lakh on the Company. The Company has represented against the fine so imposed.
- i. We draw attention to Note No. 21 of the Statement, which describes the impact of Covid-19 pandemic on the Company's year-end inventory verification procedures as on March 31, 2020. The management of Company was able to perform year-end physical verification of inventory at certain locations. We were not able to physically observe the verification of inventory that was carried out by the management of the Company. Consequently, we have performed alternative procedures to audit the existence of inventory as per the guidance provided in SA-501 "Audit Evidence-Specific consideration

20



**SS KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

for selected items" and have obtained sufficient appropriate audit evidence to verify the existence and value of inventory as on March 31, 2020.

**6. Material Uncertainty on Going Concern**

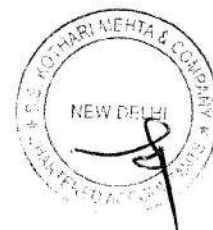
Refer Note 20 of the Statement, the accumulated losses of the Company as on March 31, 2020 is Rs. 1,11,820 lakhs (these accumulated losses were partly due to the reversal of earlier profits of Rs. 117519 lakhs in retained earnings as at April 1, 2018 by the Company on adoption of Ind AS – 115 "Revenue from Contracts with Customers" with effect from April 1, 2018 ). As at March 31, 2020, 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 as stated in Note 20, 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 year ended March 31, 2020. Our opinion is not modified in respect of this matter.

**Management's Responsibilities for the Financial Results**

7. These standalone results have been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that give a true and fair view of the loss and other comprehensive loss and other financial information of the Company and the statement of assets and liabilities and the statement of cash flows in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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



**SS KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

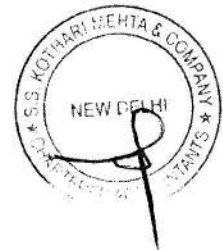
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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

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

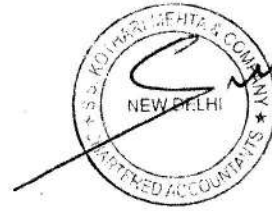
13. The Statement includes the standalone results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us.



**SS KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

14. These results are based on and should be read with the audited financial statements of the Company for the year ended March 31, 2020 on which we issued a qualified audit opinion vide our report dated July 30, 2020.

For S. S. KOTHARI MEHTA & COMPANY  
Chartered Accountants  
FRN - 000756N



**SUNIL WAHAL**  
Partner  
Membership No. 087294

Place: Delhi  
Date: July 30, 2020  
UDIN: 20087294AAAAFK6168

**Certified True Copy**

For Ansal Properties and Infrastructure Limited

  
Abhil Sami  
General Manager (Corporate Finance &  
Company Accounts)  
Membership NO. FCS-7135

**Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To  
The Board of Directors of  
Ansal Properties & Infrastructure Limited**

**Report on the audit of the Consolidated Financial Results**

**Qualified Opinion**

1. We have audited the accompanying statement of quarterly and year to date consolidated financial results of **Ansal Properties & Infrastructure Limited** ("Holding Company or APIL or the Company") and its subsidiaries/step down subsidiaries (the Holding Company and its subsidiaries/ step down subsidiaries together referred to as "the Group") and its joint ventures for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("the Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements of the subsidiaries/ step down subsidiaries and Jointly controlled entities & of management certified financial statements, the Statement:
  - i. includes the results of the entities as referred in annexure - 1;
  - ii. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
  - iii. except for the effects of the matters described in the "Basis for Qualified Opinion" paragraph below, gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net loss and other comprehensive loss and other financial information of the Group for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

**3. Basis for Qualified Opinion**

- a) We draw attention to Note 22 (iii) of the Statement wherein the APIL has purchased properties aggregating to Rs. 16078 lakhs from one of its subsidiary (holding 70.57% equity shares) Ansal Townships Infrastructure Limited (ATIL) in the financial year 2011-



**S S KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

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 Equity of the Company and hence not commented upon.

- b) We draw attention to Note 22 (iii) of the Statement, wherein ATIL has not made provision for interest of Rs. 254 lakh on advance of Rs. 1621 lakh given to the Parent. As a result, share of total comprehensive income attributable to minority shareholder of group is overstated by Rs. 80 lakh for the year ended March 31 2020.
- c) We draw attention to note no 22 (iv) to the Statement wherein as per Order dated March 17, 2020 of National Company Law Tribunal (NCLT), Interim Resolution Professional (IRP) was appointed on the AIPL on the basis of complaint filed by two customers who claimed an amount was Rs. 84.99 lakhs. The Company had challenged the said Order of NCLT at National Company Law Appellate Tribunal (NCLAT) at Delhi. NCLAT vide its Order dated March 20, 2020 has appointed IRP restricting it only on two real estate projects at Lucknow and also stayed constitution of Committee of Creditors (COC) till it passes its next Order. In the interim, the Company has made payment to the claimants clearing their entire claimed amount and subsequent to this payment filed a joint settlement before NCLAT for removal of IRP. NCLAT concluded its hearing on July 14, 2020 but reserved its Order. Till the final order is issued by the NCLAT, we are unable to comment on its possible impact on the functioning of the Company with regard to these two projects and its financial statements.
- d) We draw attention to note no 22(v), during the current quarter, the Company has entered into a business transfer agreement (BTA) between PE investor in Ansal Phalak Infrastructure Private Limited (APIPL) subsidiary of the Company on the basis of interim arbitration award/ master settlement agreement (MSA). As per 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 w e f March 31, 2020.

The final arbitration award will be subjected to audit report of KPMG appointed as per section 26 of the Arbitration Act on the final shortfall amount. 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. The Company has already booked a loss of Rs. 6920 lakhs in the statement. The final amount will be determined subsequent to the report of KPMG not ascertainable at this stage and hence not recorded.

- e) Note no: 22 (i) of the Statement wherein one of the subsidiary Ansal Hitech Townships Limited (AHTL) has not provided interest aggregating to Rs.3462 lakhs for the year ended March 31, 2020 on outstanding debentures to the parties outside the Group of issued for



25



**SS KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

Rs. 17098 lakhs. This has resulted in understatement of inventory by Rs 3462 lakhs and understatement of liability for interest by Rs 3462 lakhs in the financials of the subsidiary for the year ended March 31, 2020. This was also subject matter of qualification in our report on the standalone financial statements of the Company for the financial year ended March 31, 2018 & March 31, 2019.

- f) Note 22 (ii) of the Statements wherein on January 16, 2019, ICICI Prudential Venture capital fund real estate (IPVCF) the debenture holder of one of the subsidiary Ansal landmark township private Limited (ALTPL), invoked the default interest @ 27% p.a. However, the ALTPL has provided normal interest @ 21.75% up-to Quarter ended June 2019 & not provided Rs.478 lakh interest @ 27% p.a. from July 2019 to March 2020. ALTPL has not made provision for additional interest of Rs. 2340 Lakh. As a result share of total comprehensive income attributable to minority interest overstated by Rs.1092 lakh.
- g) We further report that, without considering items mentioned at para (a), (c) and (d) above, the effect of which could not be determined, had the observations made by us in para (b),(e) & (f) above been considered, the loss for the year would have been Rs. 30705 lakhs (as against the reported figure of Parents's share of total comprehensive loss of Rs. 24649 lakhs), current financial liabilities would have been Rs. 116799 lakhs (as against the reported figure of Rs. 110743 lakhs).
4. We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us & other auditors in terms of their reports and information provided for the entities for which management certified financial statements/ results are available as referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Statement.

**5. Emphasis of Matter**

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

- a. Refer Note 8 of the Statement, the Company had claimed a cumulative exemption of Rs. 3,448 lakhs up to the period ended March 31, 2011, continuing up to the end of current period, under section 80 IA of the Income Tax Act, 1961 being tax profits arising out of sale of Industrial Park units, pending the notification of the same by Central Board of Direct Taxes (Competent Authority). 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



**SS KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

Park (Amendment) Scheme, 2010. No exemption is claimed during the current quarter/year, as there are no sales of industrial park units.

- b. Refer Note 9 of the Statement, pursuant to Orders of the Company Law Board (CLB) dated the December 30, 2014 and April 28, 2016, the Company was required to refund all its public deposits as per the schedule. Further, as per National Company Law Tribunal Order dated January 13, 2017 and in response to an application filed by the Company, as amended/extended from time to time, the Company was required to repay Rs. 200 lakhs per month (Rs. 100 lakhs per month from January 2019 onwards) as per revised schedule. As on March 31, 2020 an amount of Rs. 1988 lakhs is due for payment (out of total outstanding principal of Rs. 9327 lakhs). The Company's petition regarding revised schedule for repayment of deposits and interest thereon is pending before NCLT. Next date of hearing is 17<sup>th</sup> August 2020.
- c. Refer Note 10 of the Statement, wherein as per section 73(2) of the Act read with Order of National Company Law Tribunal (NCLT) dated 30 December 2014, the Company is required to deposit before April 30, 2019 at least 6% of the amount of Public deposits maturing during the following financial year and be kept in a schedule bank in a separate bank account as liquid funds and shall not be utilized for any purpose other than repayment of Public Deposits. However, the Company has not deposited such amount aggregating to Rs. 597 lakh with the Schedule Bank for the year ended March 31, 2019 as the Company has got exemption for the same vide NCLT Order dated February 20, 2020.
- d. Refer Note 14 of the Statement, wherein IIRF India IRF 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. 7934 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 in respect of its dispute. The matter is subjudice.
- e. Refer Note 11 & 12 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 (SREAFESI) the following banks have issued notices the details of which are as follows:
- i. One of the lender banks "Allahabad Bank" (the Lender) has classified the bank accounts of the Company as Non – Performing Assets (NPA) and has demanded the entire amount of Rs. 11,929 lakh due towards the banks outstanding as on May 19, 2017 being the date of the order including interest and penal charges. The bank has filed case against the company in Debts Recovery Tribunal (DRT). Next date of hearing is 03th August 2020.
- i. In addition to above Lender, three more Banks, have classified the bank accounts of the Group as Non – Performing Assets (NPA) and have demanded the entire amount of



**SS KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

Rs.14707 lakh due towards the Banks outstanding as on September 12, 2018, October 08, 2018, November 29, 2018 and May 08, 2018 including interest and penal charges.. As explained to us, the Company is not in agreement with the contention of these lenders. The company has entered into one time settlement agreement with one of the lenders and is in discussions with the other two lenders to resolve the matter.

- ii. The Company has taken working capital/overdraft facility from Jammu & Kashmir (J & K) Bank Limited aggregating to Rs.3423 lakh including overdue interest of Rs. 323 lakh. The above mentioned overdue interest is classified as NPA by the J & K Bank.
  - iii. The IL & FS Financial Service Limited ("IFIN") has filed an application in NCLT against the recovery of its dues of Rs. 15500 lakh against the Company. The Company is in discussion with IFIN to resolve the matter. Next hearing is scheduled on August 23, 2020.
  - iv. Ansal API Infrastructure Ltd. (AAPIL), a wholly owned subsidiary company, has taken a loan of Rs. 39,000 lakh from Pooled Municipal Debt Obligations Facility (PMDO). The present outstanding is Rs. 27,382 lakh excluding overdue interest. This account is classified as NPA by the lenders. Out of the fifteen lenders, Corporation Bank Limited (CBL) filed the case against AAPIL in NCLT for recovery of overdue amount. Outstanding amount of loan payable to CBL is Rs. 1,260 lakh which includes overdue interest of Rs. 345 lakh. The AAPIL is in discussion with the lender to resolve the matter.
- f. Refer Note 17 of the Statement, the Company and the debenture holder of a subsidiary Company Ansal Hi-tech Township Limited (AHTL) having overdue principal amount of Rs. 17098 lakhs have filed cases on each other for their dues/ claims in Hon'ble Mumbai High Court. The Company has given corporate guarantee to the debenture holder on behalf of the AHTL. The debenture holder has moved an application with NCLT under Insolvency & Bankruptcy Code. The Company is in the process of settling this dispute and the matter is subjudice.
- g. Refer Note 15 of the Statement, wherein the Company has received an Arbitration Award relating to litigation with Landmark Group wherein the Company is jointly and severally liable to pay an amount of Rs.16,086 lakh. The Company has sought legal recourse. Details with regard to payment and legal issues are explained in the said note. Based on the legal advice the Company is hopeful of a favourable outcome and the matter is subjudice.
- h. Refer Note 13 of the Statement, UP – RERA (the authority) had appointed Currie & Brown India Private Limited, Gurgaon (CBIPL) as auditor for conducting forensic audit of 91 projects of the Company in Lucknow. CBIPL has submitted its report to the Authority which states diversion of funds by the Company to the tune of Rs. 606 crores, non - compliances relating to non – adherence to deposit of fixed percentage of amount received from customers in escrow account as per provision of Real Estate (Regulation & Development) Act, 2016 & non – submission of quarterly information/ submitting incorrect information at the time of registration of the projects etc. The Authority has issued four Show Cause Notices (SCN) in March 2019 and two SCNs on



**SS KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

May 01, 2019 to the Company for de - registration of its six projects due to above mentioned observations in the forensic report submitted by CBIPL. The Company has submitted its replies to the SCNs denying any diversion of funds and non-adherence in depositing fixed percentage of amount received from customers in escrow account as per provision of Real Estate (Regulation & Development) Act, 2016. As regards, non - submission of quarterly information/ submitting incorrect information at the time of registration of the projects is concerned, the Company has given the undertaking to provide the necessary information to the Authority. Based on the replies submitted by the Company, the Authority has passed an Order to put on hold its notice of deregistration of six projects. No decision has been taken on this as on date of issue of this report. In addition, the Authority has imposed a fine of Rs. 100 lakh on the Company. The Company has represented against the fine so imposed. We cannot comment on the impact, if any, of the above observations on SCNs issued by the Authority on the operations of the Company.

- i. We draw attention to Note 21 of the Statement, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's & one of its subsidiary's inventory verification as on March 31, 2020. The management of Company was able to perform year-end physical verification of inventory at certain locations. We were not able to physically observe the verification of inventory that was carried out by the management of the Company and its subsidiary. Consequently, we have performed alternative procedures to audit the existence of inventory as per the guidance provided in SA-501 "Audit Evidence-Specific consideration for selected items" and have obtained sufficient appropriate audit evidence to verify the existence and value of inventory as on March 31, 2020.
- j. Refer Note 18 of the Statement, the auditors of one of the subsidiary company 'Star Facilities Management Limited" (SFML) has drawn attention to the fact that SFML made investment in Pro- Facilities Services Private Limited & hold 40% equity shares in that company. However, the investee Company is mis-managing its affairs and the SFML has filed a petition in NCLT for oppression and mismanagement of affairs against the investee company.
- k. Refer Note 16 of the Statement wherein auditors of ALTPL has drawn attention to the fact that an amount of Rs. 6,156 lakh is receivable from Ansal Landmark (Karnal) Township Private Limited (ALKTPL). The auditors of ALTPL have relied on the management assessment and accordingly no impairment in the value of said recoverable amount is made in the books of accounts of ALTPL

**6. Material Uncertainty on Going Concern**

Refer Note 20 of the Statement, the accumulated losses of the Company as on March 31, 2020 is Rs. 1,11,820 lakhs (these accumulated losses were partly due to the reversal of earlier profits of Rs. 117519 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 March 31, 2020, 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



**SS KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

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 as stated in Note 20, 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 year ended March 31, 2020. Our opinion is not modified in respect of this matter.

**Management's Responsibilities for the Consolidated Financial Results**

7. The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net (loss) and other comprehensive (loss) and other financial information of the Group in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective company included in the Group or jointly controlled entities and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
8. In preparing the Statement, the Board of Directors of the companies included in the Group or its jointly controlled entities and are responsible for assessing the ability of their respective company included in the Group or its jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or its jointly controlled entities or to cease operations, or has no realistic alternative but to do so.
9. The Board of Directors of the companies included in the Group or its jointly controlled entities are also responsible for overseeing the financial reporting process of their respective companies included in the Group or its jointly controlled entities.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

10. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not



**SS KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, subsidiary/step down subsidiaries companies and Jointly controlled entities incorporated in India (based on the auditors report of the auditors of the subsidiary/ step down subsidiaries companies companies and Jointly controlled entities) has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure, and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group or its jointly controlled entities of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision, and performance of the audit of the financial information of such entities included in the Statement of which we are the independent



**SS KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. 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.

**Other Matters**

14. The Statement include the audited Financial information of Eighty Six subsidiaries/ step down subsidiaries companies (86), whose Financial Statements reflect total assets of Rs. 190933 lakh as at March 31, 2020, total revenue of Rs. 6000 lakhs and Rs. 20370 Lakh and total net profit/(loss) after tax of (Rs. 189.62 lakh) and (Rs. 2637 lakh), total comprehensive Income/(loss) of (Rs. 231 lakh) and (Rs. 2678 lakh) for the quarter ended March 31, 2020 and for the year ended March 31, 2020 respectively, and net cash outflow of (Rs. 118.95 lakh) for the year ended March 31, 2020, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.
15. The accompanying Statement include, the unaudited financial information for 5 subsidiaries (including step down subsidiaries) duly certified by the management have been furnished to us, whose Financial Statements reflect total assets of Rs. 23338 lakh as at March 31, 2020, total revenue of Rs. 3531 lakh and Rs. 5283 lakh for the quarter and period ended March 31, 2020, respectively; Profit/(Loss) after tax of Rs. 50 lakh and Rs. (187) lakh for the quarter and period ended March 31, 2020 respectively and total comprehensive Profit/(loss) of Rs. 50 lakh and Rs. (186.53) lakh for the quarter and period ended March 31, 2020, respectively, 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 material to the Group.
16. The accompanying Statement include, the unaudited financial information for 3 subsidiaries (including step down subsidiaries) and 1 joint venture entity duly certified by the management have been furnished to us, whose financial Statements reflect, total revenue of Rs. 6975 lakh and Rs. 10466 lakh for the quarter and period ended March 31, 2020, respectively; Profit/(Loss) after tax of Rs. (60) lakh and Rs. (711) lakh for the quarter and period ended March 31, 2020 respectively and total comprehensive Profit/(loss) of Rs. (91) lakh and Rs. (743) lakh and group share for the quarter and period ended March 31, 2020,





**SS KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

respectively, 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.

All above three companies cease to be subsidiary/step down subsidiaries and one joint venture w.e.f. March 31, 2020. Hence, only items relating to statement of profit & loss and other comprehensive income is considered and consolidated.

17. We did not review the unaudited financial results of 1 joint venture, wherein Group's share of loss including other comprehensive income/(loss) of Rs. 22 and Rs. 18 lakh for the quarter and period ended March 31, 2020 as considered in this Statement. An independent auditor's report on financial Statements of this joint venture has been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of this joint venture is based solely on the report of such auditors and procedures performed by us are as stated in paragraph above.

Our opinion on the statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of respective independent auditors and the financial information certified by the Board of Directors.

18. These results are based on and should be read with the audited financial statements of the Company for the year ended March 31, 2020 on which we issued a qualified audit opinion vide our report dated July 30, 2020.
19. The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

**For S S KOTHARI MEHTA & COMPANY**

Chartered Accountants

FRN - 000756N

**Sunil wahal**

Partner

Membership No. 087294

Place: New Delhi

Date: July 30 2020

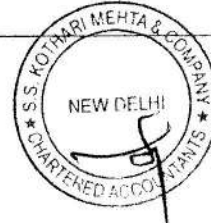
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**SS KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

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	Ansal SEZ Projects Limited
8	Ansal Townships Infrastructure Limited
9	Ansal Seagull SEZ Developers Limited
10	Ansal Colours Engineering SEZ Limited
11	Ansal Phalak Infrastructure Private Limited (Cease to be Subsidiary w.e.f 31 <sup>st</sup> March 2020)
12	Ansal Landmark Townships Private Limited
13	Ansal Condominium Limited
14	Aabad Real Estates Limited
15	Anchor Infra projects Limited
16	Benedictory Realtors Limited
17	Caspian Infrastructure Limited
18	Celestial Realtors Limited
19	Chaste Realtors Limited
20	Cohesive Constructions Limited
21	Cornea Properties Limited
22	Creative Infra Developers Limited
23	Decent Infratech Limited



**S S KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

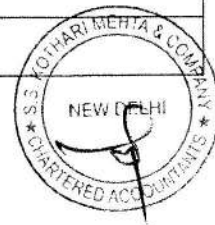
24	Diligent Realtors Limited
25	Divinity Real Estates Limited
26	Einstein Realtors Limited
27	Emphatic Realtors Limited
28	Harapa Real Estates Limited
29	Inderlok Buildwell Limited
30	Kapila Buildcon Limited
31	Kshitiz Realtech Limited
32	Kutumbkam Realtors Limited
33	Lunar Realtors Limited
34	Marwar Infrastructure Limited
35	Muqaddar Realtors Limited
36	Paradise Realty Limited
37	Parvardigaar Realtors Limited
38	Pindari Properties Limited
39	Pivotal Realtors Limited
40	Plateau Realtors Limited
41	Retina Properties Limited
42	Sarvodaya Infratech Limited
43	Sidhivinayak Infracon Limited
44	Shohrat Realtors Limited
45	Superlative Realtors Limited
46	Taqdeer Realtors Limited
47	Thames Real Estates Limited
48	Auspicious Infracon Limited
49	Medi Tree Infrastructure Limited
50	Phalak Infracon Limited
51	Rudrapriya Realtors Limited
52	Twinkle Infraprojects Limited



35

**SS KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

53	Sparkle Realtech Private Limited
54	Awadh Realtors Limited
55	Affluent Realtors Private Limited
56	Haridham Colonizers Limited
57	Ablaze Buildcon Private Limited
58	Quest Realtors Private Limited
59	Euphoric Properties Private Limited
60	Sukhdham Colonizers Limited
61	Dreams Infracon Limited
62	Effulgent Realtors Limited
63	MangalMurthi Realtors Limited
64	Arz Properties Limited
65	Tamanna Realtech Limited
66	Singolo Constructions Limited
67	Unison Propmart Limited
68	Lovely Building Solutions Private Limited
69	Komal Building Solutions Private Limited
70	H. G. Infrabuild Private Limited
71	Caliber Properties Private Limited
72	Mannat Infrastructure Private Limited (Cease to be Step Subsidiary w.e.f 31 <sup>st</sup> March 2020)
73	Niketan Real Estates Private Limited (Cease to be Step Subsidiary w.e.f 31 <sup>st</sup> March 2020)
74	Augustan Infrastructure Private Limited
75	Alaknanda Realtors Private Limited
76	Ansai Infrastructure Project Limited
77	Chamunda Properties Private Limited
78	Chandi Properties Private Limited
79	Canyon Realtors Private Limited
80	Kailash Realtors Private Limited



**SS KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

81	Kushmanda Properties Private Limited
82	Katra Realtors Private Limited
83	Kaveri Realtors Private Limited
84	Lord Krishna Infraprojects Limited
85	Prithvi Buildtech Private Limited
86	Rudraprayag Realtors Private Limited
87	Saubhagya Real Estates Private Limited
88	Saraswati Buildwell Private Limited
89	Satluj Real Estates Private Limited
90	Sunshine Colonisers Private Limited
91	Bajrang Realtors Private Limited
92	Delhi Towers & Estates Private Limited
93	Kabini Real Estates Private Limited
94	Sampark Hotels Private Limited
95	Yamnotri Properties Private Limited
	<b>Joint ventures</b>
96	Green Max Estates Private Limited (Till September 04, 2019)
97	Ansal Lotus Melange Projects Private Limited

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For Ansal Properties and Infrastructure Limited

  
Abdul Sami  
General Manager (Corporate Affairs) &  
Company Secretary  
Membership NO: FCS-7135



Annexure III  
(1/2)

ANNEXURE - 1

Statement of impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results (Standalone)

Statement of impact of Audit Qualification for the Financial Year ended March 31, 2020 (See regulation 33/52 of the SEBI (LODR) (Amendment) Regulations 2016.						
(Rs. in Lakhs)						
Sl. No.	Particulars	Audited figures (as reported before adjusting for qualifications)	Audited Figures (as reported after adjusting for qualifications)			
I.	1.	Turnover / Total Income	80,983	80,983		
	2.	Total Expenditure	90,294	90,547		
	3.	Net Profit / (Loss)	(21,342)	(21,695)		
	4.	Earnings Per Share (₹)	(12.94)	(12.94)		
	5.	Total Assets	574,720	574,720		
	6.	Total Liabilities	553,743	553,996		
	7.	Net Worth	20,977	20,724		
	8.	Any Other Financial Item(s) (as felt appropriated by the management)				
II. Audit Qualification (each audit qualification separately):-						
i)	a.	Detail of Audit Qualification:- We draw attention to Note 22 (iii) of the Statement wherein the Company has purchased properties aggregating to Rs. 16078 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 profit and financial position of the Company and hence not commented upon.				
		b. Type of Audit Qualification : Qualified Opinion.				
		c. Frequency of Qualification : Continuing Matter				
		d. For Audit Qualification(s) where the impact is Quantified by the Auditors, Management's Views : NA				
		e. For Audit Qualification(s) where the impact is not Quantified by the Auditors : N/A.				
		(i) Management's estimation on the impact of Audit Qualification : The settlement with the Debenture holder is in process.				
		(ii) If Management is unable to estimate the impact, reason for the same :NA				
		(iii) Auditor's Comments on (i) and (ii) : refer the auditors report.				
		ii)	a.	We draw attention to Note 22 (iii) of the Statement wherein ATIL has not made provision for interest receivable on advance of Rs. 1621 lakhs given to the Company. One of the minority investor shareholder 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		

**Ansal Properties & Infrastructure Ltd.**

(An ISO 14001 : 2004 OHSAS 18001 : 2007)  
115, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi-110 001  
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Website: www.ansalapi.com

CIN: L45101DL1967PLC004759

Email: [customer-care@ansalapi.com](mailto:customer-care@ansalapi.com) TOLL FREE NO. 1800 266 5565



		amount so advanced. The interest receivable amounts to Rs. 253 lakhs for period ended March 31, 2020 from the Company. The Company has not made any provision for interest payable of Rs.253 lakhs to ATIL. As a result, loss of the Company and its liabilities are understated by this amount.
	b.	Type of Audit Qualification : <b>Qualified Opinion</b>
	c.	Frequency of Qualification : <b>Continuing Matter</b>
	d.	For Audit Qualification(s) where the impact is Quantified by the Auditors, Management's Views : The Company has submitted a proposal to Debenture holder for settlement of dues.
	e.	For Audit Qualification(s) where the impact is not Quantified by the Auditors : <b>N/A.</b>
	(i)	Management's estimation on the impact of Audit Qualification : <b>NA</b>
	(ii)	If Management is unable to estimate the impact, reason for the same : <b>NA</b>
	(iii)	Auditor's Comments on (i) and (ii) : <b>NA.</b>
iii)	a.	Detail of Audit Qualification : We draw attention to note no 22 (iv) to the Statement wherein as per Order dated March 17, 2020 of National Company Law Tribunal (NCLT), Interim Resolution Professional (IRP) was appointed on the Company on the basis of complaint filed by two customers who claimed an amount was Rs. 84.99 lakhs. The Company had challenged the said Order of NCLT at National Company Law Appellate Tribunal (NCLAT) at Delhi. NCLAT vide its Order dated March 20, 2020 has appointed IRP restricting it only on two real estate projects at Lucknow and also stayed constitution of Committee of Creditors (COC) till it passes its next Order. In the interim, the Company has made payment to the claimants clearing their entire claimed amount and subsequent to this payment filed a joint settlement before NCLAT for removal of IRP. NCLAT concluded its hearing on July 14, 2020 but reserved its Order. Till the final order is issued by the NCLAT, we are unable to comment on its possible impact on the functioning of the Company, its going concern, and its financial statements.
	b.	Type of Audit Qualification : <b>Qualified Opinion.</b>
	c.	Frequency of Qualification : <b>New</b>
	d.	For Audit Qualification(s) where the impact is Quantified by the Auditors, Management's Views : <b>Not Applicable.</b>
	e.	For Audit Qualification(s) where the impact is not Quantified by the Auditors :
	(i)	Management's estimation on the impact of Audit Qualification : <b>The impact of Qualification cannot be ascertained.</b>
	(ii)	If Management is unable to estimate the impact, reason for the same : <b>Company has already paid the amount to the customer. Hence no impact expected.</b>
	(iii)	Auditor's Comments on (i) and (ii) : <b>Pls refer the auditors report.</b>
iv)	a.	Detail of Audit Qualification :- We draw attention to note no 22 (v), during the current quarter, the Company has entered into a business transfer agreement (BTA) between PE investor in Ansal Phalak Infrastructure Private Limited (APIPL) subsidiary of the Company on the basis of interim arbitration award/ master settlement agreement (MSA). As per 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.  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. The Company has already booked a loss of Rs. 6920 lakhs in the statement. The final amount will be determined subsequent to the report of KPMG not



39

	ascertainable at this stage and hence not recorded.
b.	Type of Audit Qualification : <b>Qualified Opinion.</b>
c.	Frequency of Qualification : <b>New</b>
d.	For Audit Qualification(s) where the impact is Quantified by the Auditors, Management's views : <b>Not Applicable.</b>
e.	For Audit Qualification(s), where the impact is not Quantified by the Auditors:
(i)	Management's estimation on the impact of Audit Qualification : <b>The impact of Qualification cannot be Ascertained.</b>
(ii)	If Management is unable to estimate the impact, reason for the same : <b>The impact will be ascertained upon audit of Financial Statements of 5 subsidiaries (including 4 step down subsidiaries).</b>
(iii)	Auditor's Comments on (i) and (ii). <b>Refer auditors report.</b>
	Signatories :-
	Chairman and Whole Time Director : <i>sd/- Attended through video Conferencing</i> Shri Sushil Ansal
	CFO : Shri Prashant Kumar <i>[Signature]</i>
	Audit Committee Chairman : <i>sd/- Attended through video Conferencing</i> Shri Bhupesh Chand Gupta
	Statutory Auditors : Shri Sunil Wahal <i>[Signature]</i>
	Place : New Delhi Date : 30.07.2020

**Certified True Copy**

For Ansal Properties and Infrastructure Limited

*[Signature]*

Abdul Sami  
General Manager (Corporate Affairs) &  
Company Secretary  
Membership NO: FCS-7135





Annexure - III (2/2)

ANNEXURE - 1

Statement of impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results (Consolidated)

Statement of impact of Audit Qualification for the Financial Year ended March 31, 2020 (See regulation 33/52 of the SEBI (LODR) (Amendment) Regulations 2016.				
(Rs. in Lakhs)				
Sl. No.	Particulars	Audited figures (as reported before adjusting for qualifications)	Audited Figures (as reported after adjusting for qualifications)	
I.	1.	Turnover / Total Income	114,525	114,525
	2.	Total Expenditure	1,32,763	1,38,819
	3.	Net Profit / (Loss)	(26,644)	(32,700)
	4.	Earnings Per Share (₹)	0.17	0.17
	5.	Total Assets	749,042	749,042
	6.	Total Liabilities	756,679	762,735
	7.	Net Worth	-7,637	-13,693
	8.	Any Other Financial Item(s) (as felt appropriated by the management)		
II. Audit Qualification (each audit qualification separately):-				
i)	a.	Detail of Audit Qualification:-		
		We draw attention to Note 22 (iii) of the Statement wherein the APIL has purchased properties aggregating to Rs. 16078 lakhs from one of its subsidiary (holding 70.57% equity shares) Ansal Townships Infrastructure Limited (ATIL) in the financial year 2011. 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 Equity of the Company and hence not commented upon.		
		b. Type of Audit Qualification : Qualified Opinion.		
		c. Frequency of Qualification : Continuing		
		d. For Audit Qualification(s) where the impact is Quantified by the Auditors, Management's Views : NA		
		e. For Audit Qualification(s) where the impact is not Quantified by the Auditors :		
		(i) Management's estimation on the impact of Audit Qualification : The settlement with the Debenture holder is in process.		
		(ii) If Management is unable to estimate the impact, reason for the same : NA		
		(iii) Auditor's Comments on (i) and (ii) : as per auditors report.		
		ii)	a.	Detail of Audit Qualification:-

**Ansal Properties & Infrastructure Ltd.**

(An ISO 14001 : 2004 OHSAS 18001 : 2007)

115, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi-110 001

Tel.: 23353550, 66302268 / 69 / 70 / 72

Website: www.ansalapi.com

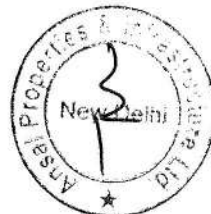
CIN: L45101DL1967PLC004759

Email: customercare@ansalapi.com TOLL FREE NO. 1800 266 5565



41

		We draw attention to Note 22 (iii) of the Statement, wherein ATIL has not made provision for interest of Rs. 254 lakh on advance of Rs. 1621 lakh given to the Parent. As a result, share of total comprehensive income attributable to minority shareholder of group is overstated by Rs. 80 lakh for the year ended March 31 2020.
	b.	Type of Audit Qualification : <b>Qualified Opinion</b>
	c.	Frequency of Qualification : <b>Continuing</b>
	d.	For Audit Qualification(s) where the impact is Quantified by the Auditors, Management's Views : The Company has submitted a proposal to Debenture holder for settlement of dues.
	e.	For Audit Qualification(s) where the impact is not Quantified by the Auditors : NA
	(i)	Management's estimation on the impact of Audit Qualification :
	(ii)	If Management is unable to estimate the impact, reason for the same :NA
	(iii)	Auditor's Comments on (i) and (ii) :
iii)	a.	<p>Detail of Audit Qualification</p> <p>We draw attention to note no 22 (iv) to the Statement wherein as per Order dated March 17, 2020 of National Company Law Tribunal (NCLT), Interim Resolution Professional (IRP) was appointed on the AIPL on the basis of complaint filed by two customers who claimed an amount was Rs. 84.99 lakhs. The Company had challenged the said Order of NCLT at National Company Law Appellate Tribunal (NCLAT) at Delhi. NCLAT vide its Order dated March 20, 2020 has appointed IRP restricting it only on two real estate projects at Lucknow and also stayed constitution of Committee of Creditors (COC) till it passes its next Order. In the interim, the Company has made payment to the claimants clearing their entire claimed amount and subsequent to this payment filed a joint settlement before NCLAT for removal of IRP. NCLAT concluded its hearing on July 14, 2020 but reserved its Order. Till the final order is issued by the NCLAT, we are unable to comment on its possible impact on the functioning of the Company, its going concern, and its financial statements.</p>
	b.	Type of Audit Qualification : <b>Qualified Opinion.</b>
	c.	Frequency of Qualification : <b>New</b>
	d.	For Audit Qualification(s) where the impact is Quantified by the Auditors, Management's Views : <b>Not Applicable.</b>
	e.	For Audit Qualification(s) where the impact is not Quantified by the Auditors
	(i)	Management's estimation on the impact of Audit Qualification : <b>The impact of Qualification cannot be ascertained.</b>
	(ii)	If Management is unable to estimate the impact, reason for the same : <b>Company has already paid the amount to the customer. Hence no impact expected.</b>
	(iii)	Auditor's Comments on (i) and (ii) : Please refer the auditors report for the comment
iv)	a.	<p>Detail of Audit Qualification :-</p> <p>We draw attention to note no 22(v), during the current quarter, the Company has entered into a business transfer agreement (BTA) between PE investor in Ansal Phalak Infrastructure Private Limited (APIPL) subsidiary of the Company on the</p>



42

		<p>basis of interim arbitration award/ master settlement agreement (MSA). As per 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 w e f March 31, 2020.</p> <p>The final arbitration award will be subjected to audit report of KPMG appointed as per section 26 of the Arbitration Act on the final shortfall amount. 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. The Company has already booked a loss of Rs. 6920 lakhs in the statement. The final amount will be determined subsequent to the report of KPMG not ascertainable at this stage and hence not recorded.</p>
	b.	Type of Audit Qualification : <b>Qualified Opinion.</b>
	c.	Frequency of Qualification : <b>New.</b>
	d.	For Audit Qualification(s) where the impact is Quantified by the Auditors, Management's views : <b>Not Applicable.</b>
	e.	For Audit Qualification(s), where the impact is not Quantified by the Auditors:
	(i)	Management's estimation on the impact of Audit Qualification : <b>The impact of Qualification cannot be Ascertained.</b>
	(ii)	If Management is unable to estimate the impact, reason for the same : <b>The impact will be ascertained upon audit of Financial Statements of 5 subsidiaries (including 4 step down subsidiaries).</b>
	(iii)	Auditor's Comments on (i) and (ii) : Please refer the auditors report for the comment
V	a	<p>Detail of Audit Qualification :-</p> <p>Note no: 22 (i) of the Statement wherein one of the subsidiary Ansal Hitech Townships Limited (AHTL) has not provided interest aggregating to Rs.4050 lakhs for the year ended March 31, 2020 on outstanding debentures to the parties outside the Group of issued for Rs. 17098 lakhs. This has resulted in understatement of inventory by Rs 3462 lakhs and understatement of liability for interest by Rs 3462 lakhs in the financials of the subsidiary for the year ended March 31, 2020. This was also subject matter of qualification in our report on the standalone financial statements of the Company for the financial year ended March 31, 2018 &amp; March 31, 2019.</p>
	b.	Type of Audit Qualification : <b>Qualified Opinion.</b>
	c.	Frequency of Qualification : <b>Old.</b>
	d.	For Audit Qualification(s) where the impact is Quantified by the Auditors, Management's views : Company in now settling the existing debenture holders to avoid the litigation. Hence decided to provide the interest liability once arise.
	e.	For Audit Qualification(s), where the impact is not Quantified by the Auditors: <b>NA</b>
	(i)	Management's estimation on the impact of Audit Qualification :
	(ii)	If Management is unable to estimate the impact, reason for the same : <b>NA</b>



	(iii)	Auditor's Comments on (i) and (ii) :
VI	a	Detail of Audit Qualification :- Note 22 (ii) of the Statements wherein on January 16, 2019, ICICI Prudential Venture capital fund real estate (IPVCF) the debenture holder of one of the subsidiary Ansal landmark township private Limited (ALTPL), invoked the default interest @ 27% p.a. However, the ALTPL has provided normal interest @ 21.75% up-to Quarter ended June 2019 & not provided Rs.478 lakh interest @ 27% p.a. from July 2019 to Dec. 2019. ALTPL has not made provision for additional interest of Rs. 2340 Lakh. As a result share of total comprehensive income attributable to non controlling interest and to owners equity overstated/understated by Rs. 2340 lakh.
	b.	Type of Audit Qualification : <b>Qualified Opinion.</b>
	c.	Frequency of Qualification : <b>continuing.</b>
	d.	For Audit Qualification(s) where the impact is Quantified by the Auditors, Management's views : . Company is in the discussion with the investor to waive off the additional penal interest liability , hence not provide for.
	e.	For Audit Qualification(s), where the impact is not Quantified by the Auditors:
	(i)	Management's estimation on the impact of Audit Qualification : NA
	(ii)	If Management is unable to estimate the impact, reason for the same :
	(iii)	Auditor's Comments on (i) and (ii) :
		Signatories :-
		Chairman and Whole Time Director : Shri Sushil Ansal <i>sd/- (Attended through Video Conference)</i>
		CFO : Shri Prashant Kumar <i>sd/- (Attended through Video Conference)</i>
		Audit Committee Chairman : Shri Bhupesh Chand Gupta <i>sd/- (Attended through Video Conference)</i>
		Statutory Auditors : Shri Sunil Wahal <i>Sunil Wahal</i>
		Place : New Delhi Date : 30.07.2020

### Certified True Copy

For Ansal Properties and Infrastructure Limited

*Abdul Sami*  
Abdul Sami  
General Manager (Corporate Affairs) &  
Company Secretary  
Membership NO: FCS-7135

