



November 11, 2021

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. Tel: 022 - 2272 1233 / 34 Fax: 022 - 2272 2131 / 1072/ 2037 / 2061 / 41 Email: corp.relations@bseindia.com corp.compliance@bseindia.com Scrip Code: 501242	National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Tel: 022 - 2659 8235 / 36 / 452 Fax: 022 - 2659 8237/ 38 Email: cmlist@nse.co.in Scrip Code : TCIFINANCE
---	---

Dear Sir,

Sub: - Outcome of Board Meeting dated November 11, 2021

As per regulation 30 and any other applicable Regulations, if any, of the SEBI(LODR) Regulations, 2015, we would like to inform you that the Board of Directors of the company in their meeting held today i.e. on November 11, 2021 inter-alia transacted the following business:

- Approved the unaudited standalone financial results as recommended by the Audit Committee and took note of the limited review report for the quarter and half year ended September 30, 2021 in accordance with Regulation 33 of SEBI (LODR) Regulations, 2015

Please find enclosed a copy of the unaudited financial results for the quarter and half year ended September 30, 2021 along with limited review report.

The meeting of Board of Directors commenced at 03:30 PM and concluded at 4:10PM.

The delay in filing of outcome is due to technical glitches from our end.

This is for your kind information and records.

Thanking you,

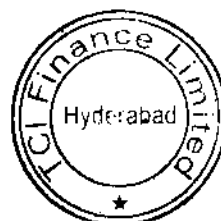
Yours faithfully,
For TCI Finance Limited


Santhosh Kumar V
Chief Financial officer



TCI FINANCE LIMITED							
Regd Office: Plot No 20, Survey No 12, 4th Floor, Kothaguda, Kondapur, Hyderabad - 500081							
CIN No : L65910TG1973PLC031293							
www.tcfil.in							
(₹ in Lakhs)							
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021							
	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-09-2021 Un-audited	30-06-2021 Un-audited	30-09-2020 Un-audited	30-09-2021 Un-audited	30-09-2020 Un-audited	31-03-2021 Audited
	Revenue from operations			174		346	422
i	Interest Income	-	-	-	-	-	3
ii	Dividend Income	-	-	-	-	-	-
iii	Rental Income	1	-	-	1	-	-
iv	Others - Profit on sale of investments	96	60	-	156	-	-
I	Total Revenue from operations	97	60	174	157	346	425
II	Others Income	2	-	-	2	-	-
III	Total Income (I+II)	99	60	174	159	346	425
	Expenses						
i	Finance Costs	37	39	61	76	129	224
ii	Employee Benefits Expenses	6	4	11	10	21	40
iii	Depreciation, amortization and impairment	1	-	-	1	1	3
iv	Others expenses	20	10	32	30	44	79
v	Loss on sale of Investments	-	-	-	-	-	-
vi	Impairment loss on loans	-	-	-	-	-	856
vii	Provision for interest receivable	-	-	-	-	-	-
viii	Fair value loss on Optionally Convertible Debentures	-	-	-	-	-	-
ix	Fair value loss on unquoted equity shares	-	-	-	-	-	-
IV	Total Expenses (IV)	64	54	104	117	195	1,202
V	Profit / (loss) before exceptional items and tax (III-IV)	35	6	70	42	151	(777)
VI	Exceptional items	-	-	-	-	-	-
VII	Profit / (loss) before tax (V-VI)	35	6	70	42	151	(777)
VIII	Tax Expenses						
	1. Current Tax	75	1	-	76	-	-
	2. Deferred Tax	-	-	-	-	-	-
IX	Profit / (loss) for the period from continuing operations (VII-VIII)	(40)	5	70	(34)	151	(777)
X	Profit / (loss) for the period	(40)	5	70	(34)	151	(777)
XI	Other Comprehensive Income						
	(A) (i) Items that will not be reclassified to profit or loss (specify items and amounts)						
	(ii) Income tax relating to items that will not be reclassified to profit or loss						
	Subtotal (A)						
	Remeasurement gain/(loss) on investments	(1,131)	2,569	392	1,428	180	2,405
	Deferred tax on remeasurement gain on investments	130	(243)	-	(113)	-	(307)
	Remeasurement gain/(loss) on Corporate Guarantee	-	-	-	-	-	-
	Remeasurement gain/(loss) on Defined Benefit Plan	-	-	-	-	-	-
	(ii) income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	Subtotal (B)	(1,001)	2,316	392	1,315	180	2,098
	Other Comprehensive Income (A+B)	(1,001)	2,316	392	1,315	180	2,098
XII	Total Comprehensive Income for the period (XIII-XIV) comprising Profit (Loss) and other Comprehensive Income for the period	(1,041)	2,321	462	1,281	331	1,321
XIII	Paid Up Equity Share Capital (Face value ₹ 10/- each)	1,287	1,287	1,287	1,287	1,287	1,287
XIV	Other Equity						(4,406)
XV	Earning per equity share (for continuing operations)*						
	Basic (Rs.)	(0.31)	0.04	0.54	(0.27)	1.18	(6.04)
	Diluted (Rs.)	(0.31)	0.04	0.54	(0.27)	1.18	(6.04)

* Quarter / year Earnings Per share figures are not annualised

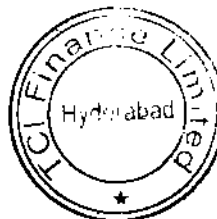


MAHENDRA KUMAR AGARWAL
Digitally signed by MAHENDRA KUMAR AGARWAL
Date: 2021.11.11 16:46:12 +05'30'

Notes

1 Disclosure of standalone assets and liabilities (Balance Sheet) as per Regulations 33 to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period ended September 30, 2021

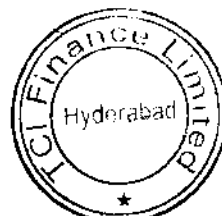
	Particulars	As at	As at	As at
		30-09-2021	30-09-2020	31-03-2021
		Unaudited	Unaudited	Audited
A	Assets			
1	Financial assets	9	15	5
	Cash and cash equivalents	-	-	-
	Bank balances other than cash and cash equivalents	-	-	-
	Trade receivables	-	-	-
	Loans	3,314	4,174	3,317
	Investment in subsidiaries and joint ventures	-	-	-
	Other investments	5,781	2,534	4,724
	Other financial assets	46	292	2
	Sub-total - Financial assets	9,160	7,015	8,048
2	Non-Financial assets	94	162	170
	Current tax assets (net)	-	-	-
	Deferred tax assets (net)	-	-	-
	Investment Property	88	88	88
	Property, plant and equipment	38	41	37
	Capital work-in-progress	-	-	1
	Other non-financial assets	-	-	-
	Sub-total - Non- financial assets	220	291	286
	Total Assets	9,370	7,306	8,344
B	Liabilities and equity			
1	Financial liabilities			
	Trade payable			
	Total outstanding dues of micro enterprises and small enterprises	44	35	40
	Total outstanding dues of creditors other than micro enterprises and small enterprises	2,385	3,153	2,535
	Loans	8,225	8,083	8,447
	Other financial liabilities	-	-	-
	Sub-total - Financial liabilities	10,664	11,271	11,022
2	Non-financial liabilities	-	-	-
	Current tax liabilities (net)	1	11	1
	Provisions	419	-	307
	Deferred tax liabilities	-	-	-
	Other non-financial liabilities	-	-	-
	Sub-total - Non- financial liabilities	420	11	308
3	Equity	1,420	1,420	1,420
	Equity Share capital	(3,124)	(5,396)	(4,406)
	Other equity	(1,704)	(3,976)	(2,986)
	Sub-total - Equity	(3,408)	(7,952)	(5,972)
	Total Liabilities and Equity	9,370	7,306	8,344



MAHENDR
A KUMAR
AGARWAL

Digitally signed
by MAHENDRA
KUMAR
AGARWAL
Date: 2021.11.11
16:46:57 +0530'

TCL Finance Limited			
Standalone Cash Flow Statement for the period ended September 30, 2021			
PARTICULARS	Half year ended		Year ended
	Sep 30, 2021	Sep 30, 2020	March 31, 2021
	₹	₹	₹
A. Cash Flow from Operating Activities			
Net profit before tax and extra ordinary items	42	151	(777)
Adjustments for:			
Depreciation and Amortisation	1	2	3
Profit on sale of Investments	(156)	-	-
Income derecognised relating to earlier years	-	-	-
Profit on sale of assets	-	-	-
Provision for Investments	-	-	-
Provision for interest receivable	-	-	856
provision for doubtful loans	-	-	-
Dividend received (Long Term Investments)	(0)	-	(3)
	(114)	153	79
Changes in working capital:			
Adjustments for (increase) / decrease in operating assets:			
Other financial assets	(44)	(113)	177
Adjustments for increase / (decrease) in operating liabilities:			
Trade Payables	3	(7)	(2)
Other financial Liabilities	(222)	28	(33)
Long Term Provisions	0	-	(10)
Cash used in Operations	(376)	60	212
Net Income Tax Refunded	-	(35)	(42)
Net Cash used in Operations	(376)	25	170
Loans Received back/ (Disbursed) (Net)	3	-	-
Net Cash from / (used in) Operating Activities (A)	(373)	26	170
B. Cash Flow from Investing Activities			
Proceeds from Sale of fixed assets	-	-	1
Purchase of Investment Property	-	-	(2)
Purchase of Intangible assets	(0)	(1)	-
Purchase of Property, Plant and Equipment	-	-	-
Sale of Long Term Investments	527	-	35
Dividend received (Long term Investments)	0	-	3
Net cash from / (used in) Investing Activities (B)	527	(1)	36
C. Cash Flow from Financing Activities			
Repayment of long term and Short Term Borrowings (net)	(150)	(21)	(214)
Net cash from Financing Activities (C)	(150)	(21)	(214)
Net Increase / Decrease in Cash and Cash Equivalents (A+B+C)	4	3	(6)
Cash and Cash Equivalents at the beginning of the period	5	12	11
Cash and Cash Equivalents at the end of the period	9	15	5
Components of Cash and Bank Balances comprises of:			
Cash on Hand	0	0	0
With Banks			
- in Current Accounts	9	15	5
- Deposit account	-	-	-
Cash and Bank Balances at the end of the period	9	15	5
Accompanying notes form an integral part of the Standalone Financial Statements			
As per our report of even date attached. For M. Shankar Rao & Co. Chartered Accountants		For and on behalf of the Board MAHENDRA KUMAR AGARWAL Digitally signed by MAHENDRA KUMAR AGARWAL Date: 2021.11.11 16:47:23 +05'30' Mahendra Kumar Agarwal Director (DIN: 00179779)	
V K Muradhar Partner Hyderabad, November 11, 2021			



Notes:

- 1 The above unaudited financial results have been reviewed by the audit committee and approved by the Board of Directors at their meeting held on November 11, 2021. In accordance with Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, The financial results for the half year ended September 30, 2021 have been subjected to the Limited Review by the statutory auditors and the report thereon is modified.
- 2 The Company is mainly engaged in financing activities which constitutes a single business segment.
- 3 **Exposures to Amrit Jal Ventures Private Limited (AJVPL) and its subsidiaries:**

The Company in the earlier years, has given Corporate Guarantees to the lenders of AJVPL and its wholly owned subsidiary – Gati Bhasmej Limited – aggregating to Rs. 25,619.80 Lakhs. During the year 2019-2020:

(i) Certain lenders of these entities have invoked the Guarantees and raised claims on the Company aggregating to Rs. 17,820.89 Lakhs.

(ii) The Company made a provision of Rs. 7,798.91 Lakhs on an estimated basis considering the disputed nature of the claim and unlawful invocation of the corporate guarantee.
- 4 **Exposures to Mahendra Investment Advisors Private Limited (MIAPL) - Related party:**

As at September 30, 2021, the Company is having a carrying value of advances given to MIAPL Rs. 4333.09 Lakhs. These advances include value of 31,79,385 equity shares in Gati Limited held by the Company invoked by the lenders of MIAPL during 2019-20, given as guarantee by the Company, aggregating to Rs. 2379.13 Lakhs and TDS receivable amounting to Rs. 151.58 Lakhs respectively. The Company stopped recognising interest income since October 2020. One of the financial creditors of MIAPL have filed a case and has been admitted in NCLT under Insolvency & Bankruptcy Code, Hyderabad for the defaults made by MIAPL. The suspended Director of MIAPL has filed an appeal against the NCLT order, The CRIP proceedings have been stayed by NCLAT and pending before NCLAT for further hearing. Despite, the adverse developments in MIAPL the management expects recovery of the amounts receivable. However, the company has created an impairment loss of Rs.867.22 Lakhs against the company's total exposure of Rs. 4,333.09 Lakhs. Management is making efforts to recover the total exposures.
- 5 **Investments - Sale of pledged shares:**

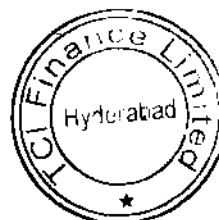
a) During the year 2015-2016, the Company availed a loan of Rs.5 Crores from Godavari Commercial Services Private Limited (Godavari) on the security of 10,00,000 equity shares of Gati Limited held by the Company. These shares were re-pledged by Godavari with a third party, with the consent of the Company. The said shares were invoked by the third party in the year 2016-2017 on default by Godavari without there being any default by the Company. The Company took necessary legal recourse for restoration of the pledged shares and in terms of the settlement agreement, Godavari agreed to restore the said invoked shares. During the financial year 2019-2020, Godavari restored 33,000 shares and balance 9,67,000 shares were yet to be restored. In view of the settlement agreement and further litigation raised by the Company, the said 9,67,000 equity shares in Gati Limited have been continued to be disclosed as "investments".

b) During the year 2015-2016, the Company has pledged 1,580,000 shares of Gati Limited held by the Company as Investments in favour of IDFC Bank Limited (IDFC) for facilities availed by M/s Gati Infrastructure Private Limited (GIPL) on receipt of Letter of Comfort from M/s Amrit Jal Ventures Private Limited (AJVPL) being the holding company of GIPL. The said shares were invoked by IDFC in the year 2016-2017 due to default made by GIPL. The Company also has taken necessary legal recourse for the restoration of the invoked shares. GIPL, AJVPL and the Company entered into a tripartite agreement for restoration of such invoked shares to the Company. However, such restoration will take place only after GIPL repays all its dues to term loan lenders. One of its Operational creditor have filed a case for default made by GIPL in NCLT, Hyderabad under Insolvency & Bankruptcy Code and case is admitted. The suspended Director of GIPL has filed an appeal against the NCLT order, which is pending before NCLAT Bench. The matter is still under litigation. Despite the said litigation, as GIPL is earning cash profits for the years ended on March 31, 2019 and March 31, 2020, the invoked 1,580,000 equity shares in Gati Limited have been continued to be disclosed as "investments".

c) During the year 2014-2015, the Company has pledged 805,000 equity shares of Gati Limited held by the Company as Investments in favour of IFCI Ventures Limited (IFCV) for facilities availed by M/s Amrit Jal Ventures Private Limited (AJVPL). AJVPL had repaid the said loan, the Company had made request to IFCV for release of pledged shares. However, during the year ended March 31, 2018, IFCV invoked the said shares and transferred the same to Green India Ventures Fund (GIVF) for certain dues payable by AJVPL. The Company has taken necessary legal recourse for the restoration of the invoked shares. In view of the above, the invoked 805,000 equity shares in Gati Limited have been continued to be disclosed as "investments".
- 6 **Liability for sale of shares held by other entities given as guarantee to the lenders of the company for the loans availed by the Company:**

During the earlier years, the Company availed borrowings from certain lenders and by way of an amendment loan agreement, arranged the certain shares held by Mahendra Kumar Agarwal & Sons HUF and Manish Agarwal Benefit Trust (Guarantors) as an additional security for the said borrowings. The said lenders, due to defaults by the Company have sold these shares and recovered their respective dues fully. As a result of this sale of shares given as an additional security, the Company has recognised the fair value of shares sold on the date of sale as interest free amount payable to said Guarantors - Rs. 297.56 Lakhs. Out of the said amount, the Company has paid an amount of Rs. 204.72 Lakhs and the balance of Rs. 92.84 Lakhs is outstanding as at September 30, 2021.
- 7 **Going Concern:**

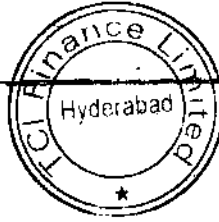
The Company was having a negative networth of Rs. 1705.10 Lakhs as at September 30, 2021. Due to adverse developments in the entities to whom the company has advanced loans / given guarantees / investments made, the Company had incurred these losses and adversely affect the future income from operations. These factors substantially affected the operations of the Company and indicate uncertainties relating to the going concern status of the Company. Management of the Company is in the process of identifying various alternatives / new areas to venture into for reviving the company. In view of the same, financial statements of the company have been prepared on going concern basis.



MAHENDR Digitally signed by
A KUMAR MAHENDRA
AGARWAL KUMAR AGARWAL
Date: 2021.11.11
16:48:00 +05'30'

- 8 The Company has not recognised the interest expenses on certain borrowings amounting to Rs.19.12 Lakhs for the half year ended September 30, 2021 in view of the litigations with the respective lenders. Total interest expense not recognised upto September 30, 2021 aggregating to Rs. 66.81 Lakhs
- 9 **Petition before NCLT, Hyderabad:**
During the year 2019-20, three shareholders of the Company filed a petition before National Company Law Tribunal (NCLT), Hyderabad Bench, against the Company and the management alleging oppression of minority shareholders and mismanagement of affairs of the Company with regard to investments and loans and advances to certain related parties. In the said petition, the petitioners also included the statutory auditors of the Company regarding reporting requirements of said transactions. The Company and the respondents have taken necessary measures to contest the petition before the Honourable NCLT Bench and the hearings are in progress.
- 10 The company received letters from Reserve bank of India for submission of financial position of the Company as at March 31, 2021 after making the adjustments to invocation of shares by the parties in whose favour those shares were pledged. The same was submitted to Reserve Bank of India.
- 11 The Statutory Auditors of the Company have qualified their opinion in their limited review report with respect to the matters stated paragraphs 3, 4, 5.a, 5.b, 5.c, 7 and 8 above and emphasised the matters stated at 4 and 9 above.
- 12 The figures for the corresponding previous period ended have been regrouped / reclassified wherever necessary to make them comparable.
- 13 The copy of this notice is also posted on the website of the Company at www.tdfl.in and also on the websites of the stock exchanges at www.bseindia.com & www.nseindia.com.

Place: Hyderabad
Date: November 11, 2021



For and on behalf of the Board
MAHENDRA KUMAR AGARWAL
Director (DIN: 00179779)



TCI FINANCE LIMITED

Regd Office: Plot No 20, Survey No 12, 4th Floor, Kothaguda, Kondapur, Hyderabad - 500081

CIN: L65910TG1973PLC031293, www.tcfll.in

Phone No : 040-71204284 & Fax No : 040-23112318

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE PERIOD ENDED SEPTEMBER 30, 2021

(₹ in Lakhs)

Particulars	Quarter Ended		Half Year Ended
	30-09-2021 Unaudited	30-09-2020 Unaudited	30-09-2021 Unaudited
Total income from operations (Net)	97	174	157
Net Profit / (Loss) from ordinary activities after tax	(40)	70	(34)
Net Profit / (Loss) for the period after tax (after Extraordinary items)	(40)	70	(34)
Total Comprehensive Income for the period (comprising Profit (Loss) and other Comprehensive Income for the period)	(1,041)	462	1,281
Equity Share Capital	1287	1287	1287
Reserves (excluding Revaluation Reserve as shown in the Balance Sheet of previous year)			
Earnings Per Share (before extraordinary items) (₹ 10/- each)			
Basic :	(0.31)	0.54	(0.27)
Diluted :	(0.31)	0.54	(0.27)
Earnings Per Share (after extraordinary items) (₹ 10/- each)			
Basic :	(0.31)	0.54	(0.27)
Diluted :	(0.31)	0.54	(0.27)

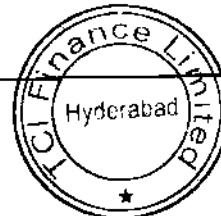
Notes:

- The above results have been reviewed by the audit committee and approved by the Board of Directors at their meeting held on November 11, 2021.
- The above is an extract of the detailed format of period ended September 30, 2021 Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the half year ended September 30, 2021 are available for Investors at www.tcfll.in, www.bseindia.com & www.nseindia.com.

Place : Hyderabad

Date : November 11, 2021

MAHENDRA KUMAR AGARWAL
Digitally signed by MAHENDRA KUMAR AGARWAL
Date: 2021.11.11 16:49:12 +05'30'



Limited Review Report of TCI Finance Limited on Unaudited Standalone quarterly and half year ended September 30, 2021 Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**To The Board of Directors
TCI Finance Limited**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of "TCI Finance Limited" ("the Company") for the Quarter and half year ended September 30, 2021 ("the Statement"). This Statement is the responsibility of the Company's Management and approved by the Board of Directors Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review of the Statement in accordance with the Standards on Review Engagement(SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by Institute of Chartered Accountants of India.. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial Statements are free from material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial date and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Basis for Qualified Conclusion:
We draw attention to:
 - a. Note no 3 of the accompanying statement regarding claims on the Company by the lenders of Amrit Jal Ventures Private Limited and Gati Infrastructure Bhasmey Power Private Limited aggregating to Rs. 25,619.80 Lakhs due to the invocation of corporate guarantee given by the Company. Against the said liability, the company during the year 2019-2020, considering the disputing nature of the claim and unlawful invocation of the corporate guarantee made a provision of Rs. 7,798.91 Lakhs. As at March 31, 2021, the company disclosed the balance amount of liability Rs. 17,820.89 Lakhs as contingent liability in its financial statements. In the absence of sufficient and appropriate audit evidence for the said treatment, in our opinion the company ought to have recognised the liability in its books. Had the liability been recognised the loss for the half year and accordingly the other equity (negative balance) will be higher by Rs.17,820.89 Lakhs.
 - b. Note no 4 of the accompanying statement regarding exposures to Mahendra Investment Advisors Private Limited (MIAPL) in the form of Inter Corporate deposits (ICD's) and TDS receivable aggregating to Rs. 4,333.09 Lakhs (Previous year: Rs. 4,336.09 Lakhs). Also, the company did not recognise interest income during the financial year 2020-21 of Rs. 268.42 Lakhs and also for the half year ended September 30, 2021. In view of the negative networth in the standalone financial statements of MIAPL as at March 31, 2020 and other adverse developments in the MIAPL, the company made provision for impairment loss of Rs. 867.22 Lakhs as at September 30, 2021 on the gross exposure of Rs. 4,333.09 Lakhs. The said provision of Rs. 867.22 Lakhs was recognised during the year March 31, 2021. In the absence of sufficient and appropriate audit evidence with regard to recovery of the balance amount of Rs. 3,468.87 Lakhs, we are unable to comment on the impact if any on the loss for the year and reserves and carrying value of loans given at this stage. Had the Company recognised impairment loss for balance amount, the loss for the year and Other Equity (negative balance) would have been higher by Rs.3,465.87 Lakhs and would have been lower by a similar amount.

- c. Note no 5 (a) of the accompanying statement regarding the invocation of Company's investment in equity shares of Gati Limited pledged as security for the credit facilities availed by Godavari Commercial Services Private Limited (Godavari), one of the lender to the Company. However, the company continued to present the said equity shares as investment at fair value as at September 30, 2021 despite invocation for the reasons stated in the said note. Fair value of the invoked shares considered as an asset aggregates to Rs. 1317.54 Lakhs. Considering that investments have been sold, we are unable to comment on the appropriateness of presentation of fair value of said equity shares as investments in the financial statements. Further in view of the uncertainty relating to recoverability of the said investment, we are unable to comment on the impact, if any, on the loss for the half year and other equity.
- d. Note no 5 (b) of the accompanying statement regarding the investment in equity shares of Gati Limited pledged as security for the credit facilities availed by Gati Infrastructure Private Limited (GIPL) on receipt of letter of comfort from Amrit Jal Ventures Private Limited. The lenders of GIPL invoked the pledge and realised their dues. However, the company continued to present the said equity shares as investment at fair value as at September 30, 2021 despite invocation for the reasons stated in the said note. Fair value of the invoked shares considered as an asset aggregates to Rs. 2152.75 Lakhs. Considering that investments have been sold, we are unable to comment on the appropriateness of presentation of fair value of said equity shares as investments in the financial statements. Further in view of the uncertainty relating to recoverability of the said investment, we are unable to comment on the impact, if any, on the loss for the half year and other equity.
- e. Note no 5 (c) of the accompanying statement regarding the investments in equity shares of the Company held in Gati Limited pledged for the facilities availed by Amrit Jal Ventures Private Limited (AJVPL). The lenders of AJVPL invoked the pledge and realised their dues. However, the company continued to present the said equity shares as investment at fair value as at September 30, 2021 despite invocation for the reasons stated in the said note. Fair value of the invoked shares considered as an asset aggregates to Rs. 1096.81 Lakhs. Considering that investments have been sold, we are unable to comment on the appropriateness of presentation of fair value of said equity shares as investments in the financial statements. Further in view of the uncertainty relating to recoverability of the said investment, we are unable to comment on the impact, if any, on the loss for the half year and other equity.
- f. Note no 7 of the accompanying statement regarding preparation of the standalone financial statements by the management on a going concern basis for the reasons stated therein. In the absence of sufficient and appropriate evidence and the liabilities devolved on the Company upon invocation of guarantees by the lenders of other entities, we are of the opinion that preparation of standalone financial statements on a going concern is not appropriate. Hence, we are unable to comment on the effect on carrying value of assets and liabilities had the financial statements been prepared not as a going concern.
- g. Note no 8 of the accompanying statement regarding non recognition of interest expense of Rs. 19.12 Lakhs for the half year ended September 30, 2021 for the reasons stated there under. Total interest expense not recognised, upto September 30, 2021, aggregates to Rs. 66.81 Lakhs. Consequently, loss for the half year ended September 30, 2021 is lower by Rs. 19.12 Lakhs and as at September 30, 2021 and Other Equity (negative balance) and Borrowings were lower by Rs. 66.81 Lakhs.

4. Qualified Conclusion:

Based on our review conducted and procedures performed as stated in paragraph 2 above, except for the matter mentioned in the Basis for Qualified Conclusion mentioned here in above, nothing has come to our attention that causes an to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters except provisioning on loans given by the Company. Had the Company Complied with the relevant prudential norms, the carrying value of loans of Rs. 3465.87 Lakhs should have been provided for. Further also refer para 3b of this report.

5. Emphasis of matter:

We draw attention to Note 9 of the accompanying statement regarding the petition filed by the three shareholders on the Company and the management regarding oppression and mismanagement of affairs of the Company and the statutory auditors of the Company regarding reporting requirements of the said transactions

for M. Bhaskara Rao & Co.
Chartered Accountants
Firm Registration No.000459S

KESAVAMURALID Digitally signed by
KESAVAMURALIDHAR
VADAKATTU
HAR VADAKATTU Date: 2021.11.11 17:07:14 +05'30'

V K Muralidhar
Partner

Hyderabad. November 11, 2021

Membership No: 201570
UDIN: 21201570AAAAJN1057