

IVRCL LIMITED

Regd. Office : M-22/3RT, Vijaya Nagar Colony, Hyderabad-500 057

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CIN: L45201AP1987PLC007959



Statement of Unaudited Standalone Financial Results for the Quarter Ended June 30, 2024

(Rs. in lakhs except share data)

Sl. No.	Particulars (Refer Notes below)	Standalone			
		Quarter Ended		Year Ended	
		June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
		UNAUDITED	AUDITED	UNAUDITED	AUDITED
I.	Revenue from operations	620.51	517.33	2,603.16	6,051.57
II.	Other income	893.90	946.13	294.58	2,017.94
III.	<b>Total income (I+II)</b>	<b>1,514.41</b>	<b>1,463.46</b>	<b>2,897.74</b>	<b>8,069.51</b>
IV.	<b>EXPENSES</b>				
	a) Cost of Construction Materials Consumed	65.11	27.25	31.53	126.52
	b) Sub-contracting expense	976.45	315.06	2,370.18	4,119.15
	c) Masonry, labour and other construction expense	287.23	618.75	133.28	3,957.62
	d) Employee benefits expense	575.18	674.42	704.47	2,575.50
	e) Finance costs (Refer note 17)	71,623.78	69,402.35	61,221.18	2,62,475.71
	f) Depreciation and amortisation expense	123.51	240.10	208.58	792.22
	g) Other expenses (Refer note 18)	182.90	2,703.82	360.85	3,480.01
	<b>Total expenses (IV)</b>	<b>73,834.16</b>	<b>73,981.75</b>	<b>65,030.07</b>	<b>2,77,526.73</b>
V.	Profit/(Loss) before exceptional items and tax (III-IV)	(72,319.75)	(72,518.29)	(62,132.33)	(2,69,457.22)
VI.	Exceptional items				
VII.	Profit/ (Loss) before tax (V-VI)	(72,319.75)	(72,518.29)	(62,132.33)	(2,69,457.22)
VIII.	Tax expense:				
	a) Current Tax				
	b) Deferred Tax	37.57	37.57	37.57	150.29
IX.	Profit / (Loss) for the period from continuing operation (VII-VIII)	(72,357.32)	(72,555.86)	(62,169.90)	(2,69,607.51)
X.	Other Comprehensive Income				
	a) Items that will not be reclassified to Profit or Loss				
	i) Remeasurements of the defined benefit Plans	4.34	(70.47)	29.28	17.38
	ii) Income Tax effect on above	(1.52)	24.63	(10.23)	(6.07)
	b) Item that may be reclassified to profit or loss				
	i) Exchange differences on translation of a foreign currency				
	ii) Income Tax effect on above				
	<b>Total Comprehensive Income / (Loss) for the period (Total X)</b>	<b>2.83</b>	<b>(45.84)</b>	<b>19.05</b>	<b>11.31</b>
XI.	<b>Total comprehensive income for the period (comprising profit / (loss) and Other Comprehensive Income for the period) (IX+X)</b>	<b>(72,354.50)</b>	<b>(72,601.70)</b>	<b>(62,150.85)</b>	<b>(2,69,596.20)</b>
XII.	Paid up equity share capital (Face value of Rs. 2 each)	15,657.95	15,657.95	15,657.95	15,657.95
XIII.	Other equity (As per last Audited financial statements)				
XIV.	Earnings per equity share (of Rs. 2 each) (not-annualised for quarterly EPS (in Rs.)				
	Basic & Diluted	(9.24)	(9.27)	(7.94)	(34.44)
	(See Accompanying notes (1 - 27))				

*Indraneel Sankar*

## Notes:

1	The Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") has passed its order dated July 26, 2019 read with corrigendum order issued on July 31, 2019 for "Liquidation of M/s IVRCL Limited as going concern" and the Resolution professional (RP) for the Company has been appointed as the Liquidator. The Liquidator to exercise the powers and duties as enumerated in sections 35 to 50, 52 to 54 of the Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
2	The Hon'ble National Company Law Appellate Tribunal, New Delhi ("NCLAT") vide its order dated September 06, 2019 ordered that the liquidator to ensure that the company remains as going concern and the liquidator would not sell or transfer or alienate movable or immovable property of corporate debtor without the prior approval of the Appellate Tribunal. The said order is vacated by the Hon'ble National Company Law Appellate Tribunal, New Delhi ("NCLAT") vide its order dated May 29, 2020 and upholds the order of NCLT, Hyderabad dated July 26, 2019 with corrigendum order dated July 31, 2019.
3	As part of the Liquidation process under the provisions of the Insolvency and Bankruptcy Code 2016, Third E-auction was held on December 15, 2021 for sale of M/S.IVRCL Limited as a Going Concern with a Reserved Price not less than INR.1200 Crores (Rupees One thousand two hundred crores).
4	Under third E-auction, the Liquidator was in receipt of EOI of 23 nos out of which only one of the prospective bidder Mr.Ponguleti Prasada Reddy along with five other members forming SPV M/s Raghava Square Private Limited submitted EMD of Rs.50 crores on December 10, 2021
5	On 15th December 2021, Liquidator conducted third E-Auction for the sale of IVRCL Limited as a Going Concern through an E- Auction platform provided by E-Auction service provider. However, no bids were received on the date of third E-Auction. As such the consortium of individuals led by Mr. Ponguleti Prasad Reddy, being the sole Qualified Bidder was automatically registered in the Third E-Auction held on 15th December 2021 at the minimum reserve price of Rs. 1200 crore as per the clause 10.3 of Third E-Auction Process Information Document dated 20th November 2021.
6	On 29th December 2021, as per advice of the Stakeholders' Consultation Committee of the IVRCL Limited, Liquidator issued Demand notice to the successful bidder Mr. Ponguletti Prasad Reddy along with five other members forming SPV to pay the balance sale consideration under Third E-auction Process of IVRCL Limited under Liquidation as going concern to complete the sale process and the reminder letter was issued by the Liquidator on 19th January 2022. Liquidator has written several letters/reminders, viz., letter dated 16 June 2022 and repeated reminders vide letters dated 28 July 2022; 05 August 2022; 12 August 2022; 16 August 2022; 24 August 2022; 01 September 2022; 14 September 2022; 20 September 2022; 24 September 2022; 13 October 2022; 28 October 2022; 21 November 2022; 16 January 2023; 15 February 2023 and 29th March 2023 respectively, however, Successful Bidders have not yet paid Balance Consideration as per NCLT Order dated 15 June 2022.
7	Hon'ble NCLT vide order dated 15th June 2022 passed in MA 2 of 2022 filed by Liquidator directed the successful bidder to pay the balance sale consideration of Rs.1,150 Crores (Rs.1200 Cr- Rs.50 Cr being Earnest Money Deposit already paid) for acquiring M/S.IVRCL Limited under Liquidation as a Going Concern within a period of 12 months from the date of order (i.e. 15th June 2022) in SIX tranches. As per Hon'ble NCLT order dated 15th June 2022, payment schedule to be adhered by the successful bidder is as follows: Five tranches of Rs.200 crores each to be paid by successful bidder on 14.08.2022, 14.10.2022, 14.12.2022, 14.02.2023, 14.04.2023 respectively and the final tranche of Rs.150 Crores shall payable within 14.06.2023. Further, as per said Order, any delay in adherence to the aforesaid payment schedule will attract interest at 12% p.a. for the delayed period. The successful bidder has paid only Rs.100 crores on 26th September 2022 against the first tranche of Rs.200 Crores payable on 14.08.2022 and no payment has been made by successful bidder thereafter and the same were attracting interest @ 12% for the delayed.
8	Hon'ble NCLT vide order dated 25th July 2022 in IA 656 of 2022 filed by successful bidder inter alia directed that prior to the approval of the IVRCL being sold as a going concern, whatever the Business Plan the successful bidders have submitted to the Liquidator or Stakeholder's Consultation Committee on account of which both the parties have come forward before Hon'ble Tribunal to approve the sale as a going concern, shall be scrupulously followed by both the parties; and also directed to form a supervisory committee consisting of the successful bidders, Liquidator and other stakeholders who shall meet as and when necessary to take stock of the situation with regard to the business of the IVRCL Limited and also to protect the assets of the IVRCL Limited.
9	Liquidator filed IA 1456 of 2022 before Hon'ble NCLT to direct the successful bidders to make requisite payment as per direction of Hon'ble NCLT Order dated 15th June 2022 and to pass appropriate directions in order to enable the Liquidator to successfully consummate the sale of the IVRCL Limited as a going concern, to the successful bidders. Hon'ble NCLT vide order dated 02nd January 2023 in the aforesaid IA 1456 of 2022 (filed by Liquidator) directed that "The petitioner is at liberty to take appropriate steps by filing appropriate application for failure of the buyers to comply with the direction which is already given by the tribunal."
10	Pursuant to Hon'ble NCLT order dated 02nd January 2023 passed in IA 1456 of 2022, Liquidator filed Contempt Petition 2 of 2023 to direct successful bidder to purge the contempt by making payment of the outstanding amounts as per the directions of Hon'ble NCLT in Order dated 15th June 2022, amongst other reliefs. The said Contempt Petition 2 of 2023 is still under consideration of Hon'ble NCLT. Liquidator has cancelled the bid process on 28th July 2023, and the bidder has challenged the cancellation that has been stayed.

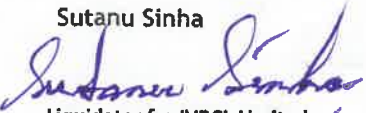
*J. Sankar Reddy*

11	The Liquidator issued letter, pursuant to the deliberation held in the 30th Stakeholders' Consultation Committee meeting of the IVRCL LIMITED (under Liquidation as a Going Concern) held on Friday, the 28th day of July 2023 for cancellation of (i) Demand Notice dated December 29, 2021 ("Demand Notice") and accepted on December 29, 2021; and (ii) proposed sale of IVRCL Limited ("Company") pursuant to the E-auction of the Company conducted on December 15, 2021, and in response to the letter, Raghava Square Private Limited filed an IA 947 before Hon'ble NCLT, Hyderabad Bench for extension in time with respect to payment as NCLT order of 2022. An amendment application (IA 1257 of 2024) was filed by the Raghava Square Private Limited in IA 947 of 2023 seeking to amend the prayers of the said IA. Both the applications IA 947 of 2023 and IA 1257 of 2024 have been heard and disposed of in the favour of the Liquidator.
12	As per the NCLT order dated 15th June 2022, the last date of completion of Liquidation process was 14th June 2023, as the bidder did not make the payment of Balance sale consideration, so based on the suggestions received from Stakeholders' Consultation Committee, the Liquidator filed an IA for seeking exclusion / extension of time for conducting the Liquidation process, and the Hon'ble NCLT vide its order dated 17th July 2023 has allowed to exclude the period from 28.12.2021 to 14.06.2023 from the liquidation period. The liquidation period has been extended further till 14th Feb 2025 by The Hon'ble NCLT order dated April 23, 2024.
13	As per Regulation 33(2)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the standalone financial results of a company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the standalone financial results. In view of the Liquidation Order passed by the NCLT, all the powers of the Board of Directors, and Key Managerial Personnel ceased to have effect and is vested with Mr. Sutañu Sinha, the Liquidator. Accordingly, financial results of the Company for quarter ended June 30, 2024 were taken on record and authorized for issue to concerned authorities by the Liquidator.
14	The operations of the Company consist of construction/project activities and there is no other reportable segment under Ind AS 108, "Operating Segments".
15	The Statutory Auditors have given disclaimer opinion for the quarter ended June 30, 2024 in respect of the following matters:
a)	The Company has incurred a Net Loss of Rs.72,354.50 lakhs for the quarter ended June 30, 2024 resulting into accumulated losses of Rs. 18,18,726.03 lakhs and erosion of its Net worth as at June 30, 2024. This includes inter alia Rs. 71,623.78 lakhs towards Finance cost. The Company has obligations towards fund based borrowings (including interest) aggregating to Rs. 19,83,467.33 lakhs as per books of accounts and non-fund based exposure aggregating to Rs. 36,640.10 lakhs, operational creditors and statutory dues, subject to reconciliation/verification as stated in note below, that have been demanded/recalled by the financial/operating creditors pursuant to ongoing Liquidation process as going concern, obligations pertaining to operations including unpaid creditors and statutory dues as at June 30, 2024. As the company is a going concern by order of the NCLT dated 26th July 2019 with corrigendum order issued on July 31, 2019 and started receiving the bid amount under Third E-auction process for sale of the company as a going concern, in the opinion of the management, the company will continue its operations and the above results have been prepared on the basis that the Company is Going Concern.
b)	The company recognized deferred tax asset on account of carry forward unused tax losses and other taxable temporary differences aggregating to Rs.95,705.88 lakhs generated as on 31st March 2017. Subsequently, there has not been recognised deferred tax on unused tax losses and other taxable temporary difference a raised except on Ind AS adjustment. As the company is a going concern by order of the NCLT dated 26th July 2019 with corrigendum order issued on July 31, 2019 and started receiving the bid amount under Third E-auction process for sale of the company as a going concern the management of the company is confident that sufficient future taxable income will be available against which such deferred tax asset will be realized.
c)	The Company has certain trade receivables, security deposit, withheld, claims of indirect taxes and other deposits including bank guarantees encashed by customers aggregating to Rs.1,57,882.58 Lakhs which are subject matters of various disputes /arbitration proceedings/ negotiations with the customers and contractors due to termination / foreclosure of contracts and other disputes. The management of Company is confident of positive outcome of litigation/ resolution of dispute and recovering the aforesaid dues. However, the management is in the process of initiating arbitration/other legal action for such invocations.
d)	The Company has an investment of Rs. 1,83,438.78 lakhs in subsidiaries, associate and joint ventures engaged in BOT and other projects as at June 30,2024 which are under disputes with the concessionaire/clients and have significant accumulated losses as of June 30, 2024. The management of the Company is at various stages of negotiation/communication/arbitration with respective contractee /clients of such subsidiaries engaged in BOT and other projects to recover the dues and cost incurred by the Company and taking necessary steps to turnaround the loss making subsidiary Companies. As the company is a going concern by order of the NCLT dated 26th July 2019 with corrigendum order issued on July 31, 2019 and started receiving the Bid amount under Third E-auction process for sale of the company as a going concern considering the long term nature of investments and in view of ongoing discussion, no provision has been considered necessary by the management in respect of impairment in the value of investment.
e)	The Company has outstanding loans and advances of Rs. 80,390.96 lakhs as at June 30, 2024 given to subsidiary companies, associate, net receivable against development rights, that are outstanding for long period. The management of the Company is at various stages of negotiation/communication/ with respective subsidiary/associate company to recover the dues and cost incurred by the Company. As the company is a going concern by order of the NCLT dated 26th July 2019 with corrigendum order issued on July 31, 2019 and started receiving the Bid amount under Third E-auction process for sale of the company as a going concern and accordingly, no provision has been considered necessary by the management in respect of impairment in the value of loans and advances.

*Sutañu Sinha*

f)	Pursuant to the commencement of Liquidation process as a going concern by order of the NCLT dated 26th July 2019 with corrigendum order issued on July 31, 2019 there are various claims submitted by the operational creditors, the financial creditors, employees, statutory authorities and other creditors against the Company including the claims on Company's subsidiaries. Some of these claims are under further verification/validation and the same may be updated as per any additional information which may be received in the future from time to time as per IBC 2016. Hence there are differences between the liabilities admitted vis-a-vis balance as per books of account.
g)	Un-invoked Bank Guarantees of Rs. 36,640.10 lakhs as on June 30, 2024 are crystallized as debt and admitted under claims from the financial creditors as per the provisions of the IBC 2016 and the same is not considered in the books of accounts.
h)	Confirmation of balances could not be obtained as at March 31, 2024 for bank balances, bank borrowings and for various trade receivables including retention, loans and advances, and trade payables including other financial/non financial liabilities though, the management has requested for the confirmation of balances and the status is still continued. The Management believes that no material adjustments would be required in books of account upon receipt of these confirmations.
i)	Physical verification for fixed assets aggregating to Rs.9,500.48 lakhs (net block as on March 31, 2024) and inventory aggregating to Rs. 5,216.20 lakhs (as on March 31, 2024) is in progress accordingly, no provision is required in respect of such fixed assets and inventories.
j)	The company has various input credits and balances with various statutory authorities pertaining to service tax, sales tax /GST, Income Tax etc. aggregating to Rs. 24,042.26 Lakhs as at June 30, 2024. The recovery of these amounts is subject to reconciliation, filing of returns and admission by respective statutory authorities and the status is still continued. No adjustments have been made in the books of accounts in respect of such amounts.
16	The Statutory Auditors have included an Emphasis of matter in their report for the previous year ended March 31, 2024 and review report for the Quarter ended June 30, 2024 in respect of the following:
a)	a. During the financial year 2017-18, the company has received a Show Cause Notice U/s 279 (1) of the IT Act 1961 for initiation of prosecution proceedings U/s 276 (B) of the IT Act 1961 for failure to deposit the deducted Tax at Source within the due date in Central Government Account for the financial year 2016-17 & 2017-18 for the amount of Rs.1,033.95 Lakhs and 1,891.21 Lakhs respectively.  In respect of the above, IT department has also sent notices U/s 226 (3) of the IT Act 1961 to certain banks and customers of the company demanding the recovery of the aforesaid arrears. Pursuant to the application under Section 60(5) of the Insolvency and Bankruptcy Code 2016, the National Company Law Tribunal, Hyderabad vide its order dated 17th December 2019 directs the IT department to withdraw the garnishee notices issued to the Banks and also directed the Banks to release any amount due to corporate Debtor.
b)	The company received demand under section 271(1)(c) of the Income Tax Act 1961 for the AY. 2015-16, 2016-17 and 2017-18 aggregating Rs. 3,148.38 lakhs which has been adjusted against the Refund Receivables and the same has not been recognized in the books of accounts as the company filed appeals before CIT(Appeals).
c)	During the financial year 2017-18, the company has received the order of the Regional Provident Fund Commissioner in the matter of levy of damages pertaining to the earlier years U/s 14 B of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 aggregating to Rs.4.08 Lakhs for the period from 10/1999 to 02/2009 and Rs. 608.55 Lakhs for the period from 07/2009 to 03/2015. In respect of the above, The Employees' Provident Fund Organisation has also sent notice u/s 8 F of the Employees' Provident Fund and Miscellaneous Provisions of the Act, 1952 to a Bank demanding the recovery of Rs. 912.19 Lakhs (including interest of 299.56 Lakhs). The company has filed an appeal U/s 7-I of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 with the Employees' Provident Fund Appellate Tribunal, Bangalore Bench regarding the damages amounting to Rs. 612.63 Lakhs and the matter is presently sub-judice.
17	Interest on borrowings of Rs. 71,552.96 lakhs for the quarter ending June 30, 2024 and Rs. 9,27,288.03 lakhs from the date of commencement of Liquidation period i.e., 26th July 2019 to June 30, 2024 has been provided in the books of accounts as per the applicable accounting standards and the same is not required to be considered under the provisions of IBC 2016.
18	Provision for doubtful allowance on current trade receivables shall be considered at the end of the year as per the applicable accounting standards.
19	The Company executing a Road project in Afghanistan and received USD 1,829,609.46 into IVRCL Limited Bank account maintained with Azizi Bank, Kabul, Afghanistan. The said amount could not be repatriated to India due to regulatory / political developments in Afghanistan and the same is being pursue.
20	IVRCL Chengapally Tollways Limited, subsidiary of IVRCL Limited was in to CIRP from 20th April 2022 and the claim was submitted of Rs. 789 lakhs of which the claim admitted by RP of Rs. 584 lakhs. The resolution plan has been approved vide order dated 1st May 2023 by Hon'ble NCLT, Hyderabad and as per the resolution plan approved by NCLT provides that operational creditors shall be paid in full as claim admitted, hence IVRCL claim admitted of Rs. 584 lakhs to be receivable. IVRCL Limited had an Equity investment of Rs.22,855.30 lakhs in IVRCL Chengapally Tollways Limited.
21	The company carried the opening balances for all its international projects as the latest information is not available on account of termination/closure of the respective project offices.

*Sudhakar Singh*

22	The Hon'ble Bombay High Court had directed by the order dated November 29, 2016 in case of Litostraj Power (applicant) to deposit 2,370.83 Lakhs along with interest accrued thereon in a separate account and accordingly it was deposited in SBI-CAG Branch, Hyderabad. Subsequently, Hon'ble Bombay High Court by its order dated 15th January 2020 directed to transfer the deposit of Rs. 2,370.83 Lakhs along with interest accrued thereon to the Hon'ble Bombay High Court. No accounting adjustments have been made relating to such transfer of FD in the books of accounts as the matter is sub-judice before NCLAT..
23	The management believes that no impairment assessment required in respect of tangible and intangible assets.
24	i) The company has not filed GST returns for Rajasthan Region with effect from April 2023 due to suspension of IVRCL Limited GST registration in Rajasthan by the GST authorities stating the reason that IVRCL Limited is under Liquidation and advised to obtain fresh registration. The turnover from Rajasthan region during the period from April 2023 to June 2024 is Rs. 2939.21 Lakhs and the GST is Rs. 529.05 Lakhs. Input tax credit from the subcontractors is at Rs.520 Lakhs approx. The penal interest on the GST liability will be around Rs. 50 lakhs approx. and fee for delay filing will be Rs.0.20 Lakhs approx, until June'24..
	ii) The company has not filed GST returns for Karnataka Region with effect from July 2023 due to suspension of IVRCL Limited GST registration in Karnataka by the GST authorities stating the reason that IVRCL Limited is under Liquidation and advised to obtain fresh registration. The turnover from Karnataka region during the period from July 2023 to June 2024 is Rs. 2225.14 Lakhs and the GST is Rs. 138 Lakhs. Input tax credit from the subcontractors is at Rs.132 Lakhs. The penal interest on the GST liability will be around Rs. 0.24 lakhs and fee for delay filing will be Rs.0.10 Lakhs until June, 2024..
25	During last Financial year 2023-24 under review Rs.1989 Lakhs of construction expenses incurred for the period from September 2022 to August 2023 at Indira Sagar project Phase- III has been accounted as balance cost to complete and the details are below: Contract Agreement Number : 01 of 2007-08 dated 28-02-2008 EOT Granted up to : 30-06-2022 Value of the Project : 47847 Lakhs Value of work completed : 47099 Lakhs Balance value of the work to be done : 758 Lakhs Cost to complete the balance work : 1995 Lakhs ( As per revised costing) The project was terminated and the balance work carried out by the Client with the sub contractors by paying them directly from security deposit amount of IVRCL Limited.
26	The above audited financial results for the quarter June 30, 2024 have been reviewed and approved by the Liquidator. The Statutory Auditors have reviewed these financial results pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
27	The Liquidator is signing these financial statements on the basis of representation by the key management personnel of the Company regarding the authenticity or veracity of the information provided herein.
Place: <i>Mumbai</i> Date: 13-08-2024	Sutanu Sinha  Liquidator for IVRCL Limited IBBI/IPA-003/IP-N00020/2017-18/10167

