



ROLTA INDIA LIMITED

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

(In ₹ Crores)

Sr. No.	Particulars	Quarter Ended June 30, 2020	Quarter Ended March 31, 2020	Quarter Ended June 30, 2019	Year Ended March 31, 2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Income from Operations				
	a. Revenue from operations	359.67	394.97	363.58	1,492.67
	b. Other Income	2.86	7.59	1.30	10.98
	Total Income	362.53	402.56	364.88	1,503.65
2	Expenses				
	a. Cost of materials & technical sub-contractors	252.12	268.36	242.39	1,005.32
	b. Employee benefits expense	97.33	104.50	110.93	429.21
	c. Finance Costs	194.43	181.28	219.49	773.56
	d. Depreciation and amortization expenses	59.48	60.38	63.85	247.67
	e. Other expenses	19.89	37.52	36.16	139.38
	f. Exchange Difference Loss	15.88	30.43	19.45	44.16
	Total Expenses	639.13	682.47	692.27	2,639.30
3	Profit/(Loss) From Operations Before Exceptional Items and Tax (1 - 2)	(276.60)	(279.91)	(327.39)	(1,135.65)
4	Exceptional Item (refer note no 3)	2,165.28	(57.02)	6.62	(44.76)
5	Profit/(Loss) from ordinary activities before tax (3 - 4)	(2,441.88)	(222.89)	(334.01)	(1,090.89)
6	Tax (Expense) / benefit				
	a. Current Tax	(0.41)	(0.54)	(0.69)	(2.19)
	b. Deferred Tax	312.29	(16.82)	167.42	178.05
	c. Taxation of Earlier Year	-	0.12	-	0.12
7	Net Profit/(Loss) from continuing operations (5 + 6)	(2,130.00)	(240.13)	(167.28)	(914.91)
	Attributable to:				
	Shareholders of the Company	(2,130.00)	(240.13)	(167.28)	(914.91)
	Non controlling Interest	-	-	-	-
8	Other Comprehensive Income (Not to be considered for EPS)	9.08	(303.76)	51.77	(413.67)
9	Total Comprehensive income for the period (7 + 8)	(2,120.92)	(543.89)	(115.51)	(1,328.58)
	Attributable to:				
	Shareholders of the Company	(2,120.92)	(543.89)	(115.51)	(1,328.58)
	Non controlling Interest	-	-	-	-
10	Paid-up Equity Share Capital (F.V. ₹10/- each)	165.89	165.89	165.89	165.89
11	Other Equity				-
12	Earnings Per Share (EPS) (of ₹ 10/- each)				
	Basic EPS (in ₹) (not annualised)	(128.4)	(14.5)	(10.1)	(55.2)
	Diluted EPS (in ₹) (not annualised)	(127.2)	(14.3)	(10.0)	(54.6)

SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER ENDED JUNE 30, 2020

(In ₹ Crores)

Particulars	Quarter Ended June 30, 2020	Quarter Ended March 31, 2020	Quarter Ended June 30, 2019	Year Ended March 31, 2020
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Segment Revenue				
Enterprise Geospatial & Engineering Solutions	79.02	110.97	103.30	404.09
System Integration & Enterprise IT Solutions	280.65	284.00	260.28	1,088.58
TOTAL	359.67	394.97	363.58	1,492.67
Net sales/Income From Operations	359.67	394.97	363.58	1,492.67
Segment Results Profit/ (Loss) before tax and interest from each segment				
Enterprise Geospatial & Engineering Solutions	(9.93)	(7.20)	1.50	(41.11)
System Integration & Enterprise IT Solutions	0.26	(8.20)	(27.40)	(40.13)
TOTAL	(9.67)	(15.40)	(25.90)	(81.24)
Unallocated				
Less: Finance costs	194.43	181.28	219.49	773.56
Less: Exchange difference loss	15.88	30.43	19.45	44.16
Less: Depreciation and amortization expense	59.48	60.38	63.85	247.67
Add: Un-allocable income	2.86	7.59	1.30	10.98
Total Profit / (Loss) Before Tax	(276.60)	(279.91)	(327.39)	(1,135.65)
Exceptional Item (refer note no 3)	2,165.28	(57.02)	6.62	(44.76)
Profit/(Loss) after exceptional item before tax	(2,441.88)	(222.89)	(334.01)	(1,090.89)
Tax (Expense) / benefit	311.88	(17.24)	166.73	175.98
Net Profit / (Loss)	(2,130.00)	(240.13)	(167.28)	(914.91)
Notes on segment information: Segmental Capital employed: Fixed assets used in the Company's business or liabilities contracted have not been identified to any particular reportable segment. The Company believes that it is currently not practical to provide segment disclosures relating to total assets and liabilities.				

Notes

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on September 15, 2020.
- The Statutory Auditors of the Company have carried out a Limited Review of the financial results for the quarter ended June 30, 2020.

- 3 During the quarter, the Company has reviewed the Intangible Assets in the books of its wholly owned subsidiary Company Rolta Defence Technology Systems Pvt. Ltd., (RDTISPL) which were transferred to them in the year 2015. The Company has obtained a Valuation Report from a leading valuer for reviewing of the Intangible Assets (IPRs) and testing of impairment of value in books of RDTISPL. They are of the opinion that the said IPRs are now obsolete due to non-upgradation of technology and cannot be recognized at current value in the books. Accordingly they have recommended to write off the entire IPR value in the books of RDTISPL. In view of this valuation report, an amount of Rs. 2,160.25 Cr as on 30th June 2020 in the books of RDTISPL is written off. However, the said IPRs will still continue to exist without value and can be utilized in future with modifications and upgradation of technology.
- 4 Notwithstanding the write off of the IPs relating to the Defence sector, the company still has IPs which can generate enough revenue in the future to be able to generate sufficient taxable income in the future. Further, the IPs which have been presently written off are capable of being upgraded to bring them to a level where they can be commercially exploited to generate economic benefit. Further, the Restructuring Services Agreement (RSA) which was entered into with the Streamcast Group in August 2019, is likely to conclude in the coming three months, which will result in infusion of funds and much needed working capital for execution of contracts and is also likely to result in substantial reduction and rationalisation of the Company liabilities. In the given circumstances the Management of the Company is of the opinion that it continues to be a going concern.
- 5 The Company has recognized deferred tax asset on the incremental tax losses during the period as the management is of the view that the Company will be able to generate enough taxable profits in the subsequent years for setting off the accumulated losses, in view of what is stated in note 4 above.
- 6 The Company, at the time of its transition to Ind AS effective April 1, 2015, had opted for and adopted the revaluation model, for its land and buildings, in accordance with Ind AS 16 - Property, Plant & Equipment. In terms of Para 34 of Ind AS 16, the revaluation was required to be carried out as at March 31, 2020. However, due to the COVID- 19 lockdown the Company was unable to undertake the revaluation.. The Company, till date, has been unable to carry out the revaluation on account of the continuing COVID-19 lockdown
- 7 In February 2020, Tower C which is situated in the same complex as the Corporate Office and having a written down value of Rs. 162.59 crores caught fire due to a short circuit, causing substantial damage to the building and the assets housed therein. However, as at June 30, 2020, due to the continuing COVID- 19 lockdown, apart from the police panchanama, no further work has been undertaken for ascertaining the extent of damage and for initiating the process for lodging of the insurance claim under a reinstatement policy. Under the circumstances, Company has been compelled to retain the said written down value under the head Buildings.
- 8 Unbilled receivable includes amount of Rs.274.83 crores receivable from a Government Department towards maintenance and support services provided by the Company, at the request of the user department, pending renewal of the contract. The Company is confident of recovering the amount as the process of obtaining approval is in an advanced stage.
- 9 In respect of Senior Notes 2013 of \$ 127 Mn, along with the overdue interest, which matured on May 16, 2018 and Senior Notes 2014 of \$ 372 Mn, along with overdue interest which matured on July 24, 2019, the Company has not made any provision for interest for the period beyond the date of maturity, as there is no specific provision in the Indenture on payment of interest beyond the date of maturity.
- 10 Certain Bondholders had filed a Petition in the NCLT seeking relief under Section 7 of Insolvency and Bankruptcy Code. The NCLT admitted the case in November 2019. The said Petition was dismissed by the Hon'ble High Court on December 17, 2019. The Bondholders petition before the NCLT in view of High Court order will be heard a fresh, which is yet to be heard and admitted. The Petition filed by Union Bank of India, leader of the consortium banks, in NCLT seeking relief under Section 7 of the Insolvency and Bankruptcy Code 2016, was dismissed by the NCLT (Mumbai) on May 1, 2019 (with liberty to the applicant to file fresh petition) on the ground that it was not maintainable in view of the judgment delivered by the Supreme Court in the case of Dharani Sugars Ltd vs RBI. The Bank has filed a fresh petition on Jan 27, 2020 in NCLT for recovery of its dues from the Company. The said Petition is yet to be heard and admitted.
The Union Bank of India have also given a notice to the Company under SARFAESI Act against, which the Company is seeking legal steps. Central Bank of India had also issued a notice under SARFAESI Act and no further development has taken place since last Board Meeting.
- 11 The ongoing COVID-19 pandemic has impacted and continued to impact the operations of the Company for the quarter ended June 30, 2020. The Company is continuously monitoring the situation, however due to the uncertainty as to when the situation will return to normalcy, it is presently not possible to ascertain the impact of the pandemic on the operations and the assets of the Company for the subsequent period.
- 12 Other Comprehensive Income is not to be considered for the purpose of computation of earning per share as per Ind AS.
- 13 The figures for the quarter ended March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year and the year to date figures up to the third quarter.
- 14 Previous period figures are regrouped/rearranged wherever necessary.

**On Behalf of Board of Directors
For Rolta India Limited**

Place : Mumbai
Date : September 15, 2020

**Kamal K Singh
Chairman & Managing Director**