



ROLTA INDIA LIMITED

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

CIN : L74999MH1989PLC052384

Tel. Nos. 91-22-29266666 Fax No. 91-22-28365992 email id: investor@rolta.com website: www.rolta.com

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER

(In ₹ Crores)

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	March 31, 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income from Operations						
	a. Revenue from operations	4.27	4.92	14.72	9.19	51.98	79.67
	b. Other Income	19.10	19.01	1.02	38.11	2.20	73.48
	Total Income	23.37	23.93	15.74	47.30	54.18	153.15
2	Expenses						
	a. Cost of materials & technical sub-contractors	0.92	0.47	14.25	1.39	39.09	44.08
	b. Employee benefits expense	6.79	12.14	12.77	18.93	31.99	54.77
	c. Finance costs	164.95	193.36	118.60	358.31	221.55	688.38
	d. Depreciation and amortization expenses	18.54	19.35	21.88	37.89	44.85	86.17
	e. Other expenses	5.40	6.78	9.00	12.18	18.74	38.28
	f. Exchange difference (Gain) / Loss	(8.36)	4.44	6.41	(3.92)	13.65	26.87
	Total Expenses	188.24	236.54	182.91	424.78	369.87	938.55
3	Profit/(Loss) from operations before exceptional items and tax (1 - 2)	(164.87)	(212.61)	(167.17)	(377.48)	(315.69)	(785.40)
4	Exceptional Item (refer note no 11)	(0.00)	(2,160.25)	(5.64)	(2,160.25)	(12.26)	44.76
5	Profit/(Loss) from ordinary activities before tax (3 + 4)	(164.87)	(2,372.86)	(172.81)	(2,537.73)	(327.95)	(740.64)
6	Tax (Expense)/ benefit						
	Current Tax	-	-	-	-	-	-
	Deferred Tax	(0.41)	14.06	8.89	13.65	61.50	143.67
	Taxation of Earlier Year	-	-	-	-	-	0.12
7	Net Profit/(Loss) from continuing operations (5 + 6)	(165.28)	(2,358.80)	(163.92)	(2,524.08)	(266.45)	(596.85)
8	Other Comprehensive Income (Not to be considered for EPS)	1.41	(0.55)	(2.27)	0.86	(2.22)	(2.19)
9	Total Comprehensive income for the period (7 + 8)	(163.87)	(2,359.35)	(166.19)	(2,523.22)	(268.67)	(599.04)
10	Paid up Equity Share Capital (F.V. ₹ 10/- each)	165.89	165.89	165.89	165.89	165.89	165.89
11	Other Equity						
12	Earnings Per Share (EPS) (of ₹ 10/-each)						
	Basic EPS (in ₹)	(10.0)	(142.2)	(9.9)	(152.2)	(16.1)	(36.0)
	Diluted EPS (in ₹)	(9.9)	(140.9)	(9.8)	(150.8)	(15.9)	(35.6)

Notes

STATEMENT OF UNAUDITED STANDALONE ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2020

(In ₹ Crores)

Sr. No.	Particulars	September 30, 2020	March 31, 2020
		(Unaudited)	(Audited)
1	Non-current assets		
(a)	(i) Property, plant and equipment	1,777.04	1,803.49
	(ii) Capital work-in-progress	-	-
	(iii) Intangible assets	-	-
	(iv) ROU- Lease Assets	1,037.64	1,048.56
(b)	Financial assets		
	(i) Non-current investments	237.64	244.30
	(ii) Other financial assets	1,416.33	3,537.79
(c)	Other non-current assets	0.55	1.11
(d)	Deferred tax assets (net)	716.39	701.68
(e)	Income tax assets (net)	97.30	98.42
		5,282.89	7,435.35
2	Current Assets		
(a)	Financial assets		
	(i) Trade receivables	131.92	119.77
	(ii) Cash and cash equivalents	4.00	0.67
	(iii) Other Bank Balances	2.46	2.46
	(iv) Other financial assets	369.88	374.37
(b)	Other current assets	24.61	24.84
		532.87	522.11
	TOTAL ASSETS	5,815.76	7,957.46
	EQUITY AND LIABILITIES		
1	Equity		
	(i) Equity Share Capital	165.89	165.89
	(ii) Other equity	(1,735.08)	794.75
		(1,569.19)	960.64
2	LIABILITIES		
(a)	Non-current liabilities		
	(i) Financial liabilities		
	(a) Secured Borrowings	-	-
	(b) Lease Liability	0.69	1.11
	(c) Others financial liabilities	-	-

(In ₹ Crores)			
Sr. No.	Particulars	September 30, 2020	March 31, 2020
		(Unaudited)	(Audited)
	(ii) Long term provisions	9.37	10.00
	(iii) Deferred tax liability (Net)	-	-
	(iv) Other non-current liabilities	1,514.56	1,515.24
		1,524.62	1,526.35
(b)	Current liabilities		
	(i) Financial liabilities		
	(a) Secured Borrowings	4,630.78	4,308.27
	(b) Inter Corporate Deposit	575.77	560.53
	(c) Trade payables	203.35	199.20
	(d) Lease Liability	0.76	0.65
	(e) Others financial liabilities	265.09	235.10
	(ii) Other current liabilities	181.33	165.24
	(iii) Short-term provisions	3.25	1.48
		5,860.33	5,470.48
	TOTAL EQUITY AND LIABILITIES	5,815.76	7,957.46

UNAUDITED STANDALONE CASH FLOW STATEMENT FOR SIX MONTHS ENDED SEPTEMBER 30, 2020

(In ₹ Crores)			
Sr No	Particulars	September 30, 2020	September 30, 2019
		(Unaudited)	(Unaudited)
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit before tax	(2,537.73)	(327.95)
	Adjustments for :		
	Depreciation and Amortization Expenses	37.89	44.85
	Finance Costs	358.31	221.35
	Interest Income	(35.18)	(0.20)
	License fees	(1.88)	(1.93)
	Exceptional Item	(2,160.25)	12.26
	Profit on Sale of Investment (net)	-	-
	(Profit)/Loss on Sale of Asset (net)	(0.08)	(0.03)
	Employee Stock Option Scheme	0.06	0.31
	Exchange difference adjustment (net)	(2.27)	13.64
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(4,341.13)	(37.50)
	Adjustments for :		
	Trade Receivables, Loans & Advances and Other Assets	2,152.79	(1.76)
	Trade Payables, Other Liabilities and Provisions	363.03	63.23
	CASH GENERATED FROM OPERATIONS	(1,825.31)	23.97
	Direct taxes paid (net of refunds)	1.12	(0.89)
	NET CASH FROM OPERATING ACTIVITIES	(1,824.19)	23.08
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets (including CWIP)	(2.77)	(3.85)
	Sale of Fixed Assets	0.08	0.04
	Redemption / Sale of Investment in Subsidiary	-	-
	Sale / purchase of Investment (net)	-	-
	Loans & Advances to Subsidiaries	2,121.47	(117.74)
	Interest received	35.18	(110.30)
	License fees	1.88	1.93
	Consideration towards Acquisition / Intangibles	-	-
	Deposits having original maturity over three months and restricted balance	-	1.13
	NET CASH USED IN INVESTING ACTIVITIES	2,155.84	(228.79)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds / (Repayments) of Short-term borrowings (Net)	-	269.14
	Proceeds / (Repayments) from Long-term borrowings	-	(6.11)
	Proceeds / (Repayments) of Long-term borrowings	-	-
	Dividend and Dividend Tax Paid	-	-
	Interest paid	(328.32)	(57.77)
	Proceeds / (Refunds) from issue of Share Capital (includes security premium)	-	(0.05)
	NET CASH FROM FINANCING ACTIVITIES	(328.32)	205.21
	NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	3.33	(0.50)
	CASH & CASH EQUIVALENTS (OPENING BALANCE)	0.67	1.11
	CASH & CASH EQUIVALENTS (CLOSING BALANCE)	4.00	0.60

Notes

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 11, 2020.
- The Statutory Auditors of the Company have carried out a limited review of the financial results for the quarter and six months ended September 30, 2020.
- An order of Supreme Court of The State of New York, County of New York, has been passed on September 02, 2020 in favour of certain Bondholders for an amount of US \$ 183 million (approx) inclusive of interest at 9% upto September 02, 2020 against the Company and six International Subsidiaries of the Company. Further a turnover order dated October 20, 2020 on a motion submitted by the plaintiffs, was passed by the said Hon'ble Court in New York in favour of the Plaintiffs, directing the defendants to turn over their cash on hand and their stock / membership interest owned in certain subsidiaries of the company. The international defendants except Rolta India Ltd. filed voluntary Chapter – 11 proceedings in the United States Bankruptcy Court for the Northern District of Alabama in the U.S. on October 29, 2020. By virtue of this filing, enforcement of the judgment against the international defendants has been stayed. Rolta India Ltd. has filed a suit no. 33962020 dated November 10, 2020 in Hon'ble Bombay High Court with the main prayer to grant interim injunction and declare that the summary judgement dated September 2, 2020 and turnover order dated October 20, 2020 cannot be executed by the Plaintiffs against the defendants in India.

- 4 Pursuant to the execution of a definitive Restructuring Services Agreement (RSA) entered with the Streamcast Group on August 6, 2019, under the terms of which the Streamcast Group will assist Rolta India Ltd., its group companies and its subsidiaries in repayment and restructuring of its liabilities (including providing financial assistance), and the Company is also in the process of finalizing overseas orders, which is expected to materialize in the near future. The Company expects that this along with the valuable IPs that the Company and its subsidiaries possess, would also result in getting more orders. After restructuring of the business the management of the Company is confident that it will improve further. Under the circumstances, the Management of the Company is of the view that the Company continues to be a going concern.
- 5 Notwithstanding the filing of voluntary petition for bankruptcy under Chapter 11 in United States Bankruptcy Court for the Northern District of Alabama in the U.S. on October, 29, 2020 by the International Subsidiary companies, these companies continue to carry on their normal business. The Company continues to recognise in its books the amount of Rs. 271.52 Crores receivable from these entities as the company is confident of realisation of this amount in future.
- 6 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.
- 7 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 as at March 31, 2020. However, due to the ongoing COVID 19 lockdown the Company was unable to undertake the revaluation which has not been carried out till date.
- 8 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, due to the ongoing COVID 19 lockdown, apart from the police panchanama, no further work could be 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.
- 9 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.
- 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 afresh, 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 has also given a notice to the Company under the SARFAESI Act against, which the Company is seeking legal steps. Central Bank of India had also issued a notice under the SARFAESI Act. However, no further development has taken place till date.
- 11 Exceptional item of Rs. 2,160.25 crores pertains to write off of amount receivable from the company's subsidiary, Rolta Defence Technology Systems Pvt. Ltd. (RDTSPL) pursuant to the transfer of defence business to RDTSPL in the year 2015. The write off of the receivable was necessitated on account of the write off of the IPs in the books of RDTSPL based on a valuation exercise undertaken by RDTSPL through an external agency, pursuant to which IPs having a net book value of Rs. 2,165.28 crores were fully written off, on account of their obsolescence.
- 12 The ongoing COVID-19 pandemic has impacted and continues to impact the operations of the Company. The Management of the Company continues to monitor the situation closely. However as there is a uncertainty regarding as to when the situation will return to normalcy, it is currently not possible to ascertain the complete impact of the pandemic on the Company.
- 13 Other Comprehensive Income is not to be considered for the purpose of computation of earning per share as per Ind AS.
- 14 Segment information has been presented in the unaudited Consolidated Financial Results as per Ind AS 108.
- 15 Previous period figures are regrouped/rearranged wherever necessary.

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

Place : Mumbai
Date : November 11, 2020

**Kamal K Singh
Chairman & Managing Director**