

Wednesday, February 8, 2023

To,
The General Manager
Department of Corporate Affairs
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai - 400001

Scrip Code: 526871

Subject: Outcome of Board Meeting held on 8th February, 2023

[Meeting Commencement time: 1:15pm Meeting Conclusion time: 3:00pm]

Dear Sir,

Pursuant to Regulations 30, 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with Schedule III to the Listing Regulations, this is to inform you that the Board of Directors of the Company, at its Meeting held today, i.e., on Wednesday, 08th February, 2023, *inter alia*, has approved and took on record the following:

1. Un-audited Financial Results (Standalone and Consolidated) of the company for the quarter & nine months ended December 31, 2022 along with Limited Review Report thereon (Standalone & Consolidated) issued by S.P. Chopra & Co., Chartered Accountants, Statutory Auditors of the Company;

The copies of Financial Results along with the Limited Review Report are enclosed herewith as **Annexure - A**

2. Resignation of Ms. Neeti Kakkar from the position of Chief Financial Officer & Key Managerial Personnel of the Company w.e.f. 14.01.2023;
3. Appointment of Mr. Rajesh Sharma as Chief Financial Officer & Key Managerial Personnel of the Company as per the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Kindly take the same on your records.

Thanking You,
Yours Sincerely,

For Intec Capital Limited


(Sanjeev Goel)
Managing Director
DIN: 00028702



Encl: As Above

Independent Auditor's Review Report on Quarterly Standalone Unaudited 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 Intec Capital Limited,

1. We have reviewed the accompanying Statement of **Unaudited Standalone Financial Results** (the 'Statement') of **Intec Capital Limited** (the 'Company') for the quarter and nine months ended 31 December, 2022. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these standalone financial results based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Qualified Conclusion

Based on our review conducted as above, except for the effects of the matter described in the *Basis for Qualified Conclusion paragraph below*, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited Standalone Financial Results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. Basis for Qualified Conclusion

The Company has availed term loans and working capital facilities from various banks, however, slow down of its lending business and increased level of non-performing / impaired loan portfolio, has impacted its cash flow / liquidity, and the Company is un-able to service term loans and working capital facilities including interest thereon to certain banks. The interest of Rs. 3,237.12 lakhs i.e. Rs. 315.78 lakhs and Rs. 916.32 lakhs for the current quarter and nine months ended 31 December, 2022 respectively, Rs. 306.20 lakhs for the previous quarter ended 30 September, 2022, Rs. 2,320.80 lakhs for the period upto 31 March, 2022 (including



Rs. 331.82 lakhs and Rs. 936.70 lakhs for the previous quarter and nine months ended 31 December, 2021 respectively) accrued on these loans has not been accounted / provided for by the Company, due to the reasons as described by the Company in note no. 4 to these financial results. The same has resulted in the non-compliance of the Ind AS and inconsistency in the application of the accounting policies of the Company, and if the said interest would have been accounted / provided for, the Company's total comprehensive loss for the quarter and nine months would have been Rs. 510.67 lakhs and Rs. 1,463.46 lakhs (considering the unprovided interest of Rs. 315.78 lakhs and Rs. 916.32 lakhs for the current quarter and nine months ended 31 December, 2022) and Rs. 3,432.01 lakhs and Rs. 3,784.26 lakhs (considering the total unprovided interest of Rs. 3,237.12 lakhs including the earlier year's interest) as against the reported figure of total comprehensive loss of Rs. 194.89 lakhs and 547.14 lakhs respectively.

For S. P. Chopra & Co.

Chartered Accountants

Firm Regn. No. 000346N



(Gautam Bhutani)

Partner

M. No. 524485

UDIN: 23524485BGPYYV6217

Place : New Delhi

Dated: 8 February, 2023

Independent Auditor's Review Report on Quarterly Unaudited 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 Intec Capital Limited,

1. We have reviewed the accompanying Statement of **Unaudited Consolidated Financial Results** (the 'Statement') of **Intec Capital Limited** (the 'Parent Company') and its Subsidiary (the Parent Company and its Subsidiary together referred to as 'the Group') for the quarter and nine months ended 31 December, 2022, being submitted by the Parent Company pursuant to the requirements of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended ('the Regulation').
2. This Statement, which is the responsibility of the Parent Company's Management and approved by the Parent Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the financial results of the following entities:

Name of Entity	Nature of relationship
Intec Capital Limited, India	Parent Company
Amulet Technologies Limited, India	Wholly Owned Subsidiary of Parent Company



5. Qualified Conclusion

Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of the other auditor referred to in paragraph 7 below, except for the effects of the matter described in the *Basis for Qualified Conclusion paragraph below* nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Basis for Qualified Conclusion

The Parent Company has availed term loans and working capital facilities from various banks, however, slow down of its lending business and increased level of non-performing / impaired loan portfolio, has impacted its cash flow / liquidity, and the Parent Company is un-able to service term loans and working capital facilities including interest thereon to certain banks. The interest of Rs. 3,237.12 lakhs i.e. Rs. 315.78 lakhs and Rs. 916.32 lakhs for the current quarter and nine months ended 31 December, 2022 respectively, Rs. 306.20 lakhs for the previous quarter ended 30 September, 2022, Rs. 2,320.80 lakhs for the period upto 31 March, 2022 (including Rs. 331.82 lakhs and Rs. 936.70 lakhs for the previous quarter and nine months ended 31 December, 2021 respectively) accrued on these loans has not been accounted / provided for by the Parent Company, due to the reasons as described by the Group in note no. 4 to these financial results. The same has resulted in the non-compliance of the Ind AS and inconsistency in the application of the accounting policies of the Group, and if the said interest would have been accounted / provided for, the Group's total comprehensive loss for the quarter and nine months would have been Rs. 551.57 lakhs and Rs. 1,585.34 lakhs (considering the unprovided interest of Rs. 315.78 lakhs and Rs. 916.32 lakhs for the current quarter and nine months ended 31 December, 2022) and Rs. 3,472.91 lakhs and Rs. 3,906.14 lakhs (considering the total unprovided interest Rs. 3,237.12 lakhs including the earlier year/s interest) as against the reported figure of total comprehensive loss of Rs. 235.79 lakhs and Rs. 669.02 lakhs respectively.

7. Other Matter

We did not review the interim financial results of the wholly owned subsidiary namely Amulet Technologies Limited, incorporated in India whose interim financial results reflect total revenues of Rs. 0.15 lakhs and Rs. 0.47 lakhs, net loss after tax of Rs. 40.89 lakhs and Rs. 121.86 lakhs and total comprehensive loss of Rs. 40.89 lakhs and Rs. 121.86 lakhs for the quarter and nine months ended 31 December, 2022 respectively as considered in the Unaudited Consolidated Financial Results. These interim financial results have been reviewed by other auditor whose report has been furnished to us by the Parent Company's Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of above matter.

For S. P. Chopra & Co.

Chartered Accountants

Firm Regn. No. 000346N



(Gautam Bhutani)

Partner

M. No. 524485

UDIN: 23524485BGPYYW7015

Place : New Delhi

Dated: 08 February, 2023

INTEC CAPITAL LIMITED
 (CIN:L74899DL1994PLC057410)
 Regd Office: 708, Manjusha, 57 Nehru Place, New Delhi-110 019, Website:www.inteccapital.com
 Email for investors: complianceofficer@inteccapital.com

Statement of Unaudited Financial Results for the quarter and nine months ended 31 December, 2022

(Rs. in lakhs)

Particulars	Standalone						Consolidated					
	Quarter ended			Nine months ended		Year ended	Quarter ended			Nine months ended		Year ended
	31 Dec., 2022	30 Sept., 2022	31 Dec., 2021	31 Dec., 2022	31 Dec., 2021	31 Mar., 2022	31 Dec., 2022	30 Sept., 2022	31 Dec., 2021	31 Dec., 2022	31 Dec., 2021	31 Mar., 2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Revenue from operations												
Interest income	87.78	80.87	128.35	277.25	302.89	419.37	51.29	44.11	95.53	167.63	204.77	303.40
Fees and commission income	0.19	1.07	0.29	1.58	0.66	0.66	0.19	1.07	0.29	1.58	0.66	0.66
Recovery of financial assets written off	35.00	63.31	182.95	98.33	485.95	668.45	35.00	63.31	182.95	98.33	485.95	668.45
Total revenue from operations	122.97	145.25	311.59	377.16	789.50	1,088.48	86.48	108.49	278.77	267.54	691.38	972.51
Other income	0.10	0.05	0.47	0.38	0.48	6.19	0.25	0.09	0.98	0.85	3.29	7.31
Total revenue	123.07	145.30	312.06	377.54	789.98	1,094.67	86.73	108.58	279.75	268.39	694.67	979.82
2 Expenses												
Finance costs (refer notes 4 below)	3.07	3.49	2.30	13.07	16.60	12.86	3.07	3.49	2.30	13.07	16.98	13.25
Impairment on financial instruments	38.69	81.55	(29.75)	103.73	106.02	197.61	38.69	81.55	(29.75)	103.73	106.02	197.61
Employee benefits expense	133.24	121.23	136.36	379.14	363.07	496.60	133.24	121.23	136.36	379.14	363.07	496.60
Depreciation and amortisation expenses	10.30	10.98	12.94	32.59	38.79	43.74	13.38	14.07	16.02	41.84	48.04	56.08
Other expenses	161.43	132.48	162.54	438.00	475.64	632.56	162.91	133.28	163.71	441.46	478.76	636.92
Total expenses	346.73	349.73	284.39	966.53	1,000.12	1,383.37	351.29	353.62	288.64	979.24	1,012.87	1,400.46
3 (Loss) / Profit before exceptional item and tax (3)=(1)-(2)	(223.66)	(204.43)	27.67	(588.99)	(210.14)	(288.70)	(264.56)	(245.04)	(8.89)	(710.85)	(318.20)	(420.64)
4 Gain on extinguishment of borrowings under One Time Settlement (refer note 5 below)						662.72						662.72
5 (Loss) / Profit before tax (5)=(3)+(4)	(223.66)	(204.43)	27.67	(588.99)	(210.14)	374.02	(264.56)	(245.04)	(8.89)	(710.85)	(318.20)	242.08
6 Tax expense												
Current Tax	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Tax	(30.54)	(10.47)	7.40	(47.16)	4.64	14.92	(30.54)	(10.47)	7.40	(47.16)	4.64	14.92
Total tax (reversal) / expense	(30.54)	(10.47)	7.40	(47.16)	4.64	14.92	(30.54)	(10.47)	7.40	(47.16)	4.64	14.92
7 (Loss) / Profit after tax (7)=(5)-(6)	(193.12)	(193.96)	20.27	(541.83)	(214.78)	359.10	(234.02)	(234.57)	(16.29)	(663.69)	(322.84)	227.16
8 Other comprehensive income/(loss), net of tax												
<u>Items that will not be reclassified to profit or loss</u>												
Remeasurement (losses) / (gains) on defined benefit plan	(2.37)	(2.36)	0.92	(7.10)	2.75	(9.47)	(2.37)	(2.36)	0.92	(7.10)	2.75	(9.47)
Tax impact on above	0.60	0.59	(0.23)	1.79	(0.69)	2.38	0.60	0.59	(0.23)	1.79	(0.69)	2.38
Total other comprehensive (loss) / income, net of tax	(1.77)	(1.77)	0.69	(5.31)	2.06	(7.09)	(1.77)	(1.77)	0.69	(5.31)	2.06	(7.09)
9 Total Comprehensive (Loss) / Income (7)+(8)	(194.89)	(195.73)	20.96	(547.14)	(212.72)	352.01	(235.79)	(236.34)	(15.60)	(669.00)	(320.78)	220.07
10 Paid-up equity share capital (face value of Rs. 10/- each)	1,836.63	1,836.63	1,836.63	1,836.63	1,836.63	1,836.63	1,836.63	1,836.63	1,836.63	1,836.63	1,836.63	1,836.63
Earnings per equity share (not annualised)												
Nominal Value of share	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Basic	(1.05)	(1.06)	0.11	(2.95)	(1.17)	1.96	(1.27)	(1.28)	(0.09)	(3.61)	(1.76)	1.24
Diluted	(1.05)	(1.06)	0.11	(2.95)	(1.17)	1.96	(1.27)	(1.28)	(0.09)	(3.61)	(1.76)	1.24



Notes-

- 1 These standalone financial results of Intec Capital Limited (the 'Company / Parent Company) and consolidated financial results of the Company and its Subsidiary Company (together referred to as 'the Group'), have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting standards) Rules, 2015, and the other relevant provisions of the Companies Act, 2013 (the 'Act'), and the Master Direction - Non Banking Financial Company - Non Systemically important Non - Deposit taking Non - Banking Financial Company (the 'NBFC Regulations') issued by RBI, both as amended from time to time. The notified Indian Accounting Standards (Ind AS) are followed by the Company / Group in so far as they are not inconsistent with the NBFC Regulations.
- 2 The standalone and consolidated financial results for the quarter and nine months ended 31 December, 2022 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 08 February, 2023. The Statutory Auditors have carried out a limited review of these financial results.
- 3 The Company is primarily engaged in the business of providing loans to Small and Medium Enterprises ('SME') customers and has no overseas operations / units and as the Subsidiary Company is yet to start its operations, no segment reporting is required under Indian Accounting Standard for Operating Segments (Ind AS 108).
- 4 The Company has availed term loans and working capital facilities from various banks, however, slow down of its lending business and increased level of non-performing / impaired loan portfolio, has impacted its cash flow / liquidity, and the Company is un-able to service term loans and working capital facilities including interest thereon to certain banks, and has approached these banks for its restructuring / settlement which inter-alia includes waiver / reduction of interest being considered by the respective banks. As the Company is reasonably hopeful of waiver / reduction of the interest under these restructuring / settlement packages, interest of Rs. 3,237.12 lakhs i.e. Rs. 315.78 lakhs and Rs. 916.32 lakhs for the current quarter and nine months ended 31 December, 2022 respectively, Rs. 306.20 lakhs for the previous quarter ended 30 September, 2022, and Rs. 2,320.80 lakhs for the period upto 31 March, 2022 (including Rs. 331.82 lakhs and Rs. 936.70 lakhs for the previous quarter and nine months ended 31 December, 2021 respectively), though accrued on these loans, has not been provided in these financial results.
- 5 During the previous year ended 31 March, 2022, the Company's proposals for One Time Settlement (OTS) of its loans had been accepted / approved by further two banks i.e. Bank of Maharashtra and Dhanlaxmi Bank. As the Company had substantially paid the OTS amount upto 31 March, 2022 (fully paid as on date of these financial results) and had also complied with the terms and conditions thereof, the gain of Rs. 662.72 lakhs on extinguishment of loan liability under OTS had been treated as an exceptional item in the financial results / statements for the year ended 31 March, 2022.
- 6 Though the accumulated losses have resulted in erosion of substantial net worth, and due to financial crunch being faced by the Company / Group, it is not carrying out the active lending activities, the financial results have been prepared on a going concern basis on the strength of continued support from the promoters and bankers / lenders, and considering the future plans for operations, the intensified process of the recovery / settlement / restructuring of defaulted loans of its customers and also the advanced stage of One Time Settlements (OTS) with its bankers to improve its liquidity. The management, considering the same is hopeful of improvement in its financial position.
- 7 The figures of the previous quarter / year have been regrouped and / reclassified, wherever considered necessary, to conform to current quarter's disclosures.

Place : New Delhi
Date : 08th February, 2023



For and on behalf of the Board of Directors
of Intec Capital Limited


Sanjeev Goel
(Managing Director)
DIN - 00028702

