



## Venky's (India) Limited

Regd. & Corporate Office :  
'Venkateshwara House', S.No. 114/A/2,  
Pune-Sinhagad Road, Pune-411030, India.  
Phone : 2425 1530 to 2425 1541  
Fax : 020 - 2425 1077, 2425 1060  
www.venkys.com  
CIN : L01222PN1976PLC017422



**Date: 29<sup>th</sup> June, 2020**

Mr. K Hari  
The National Stock Exchange of  
India Limited,  
'Exchange Plaza',  
Bandra-Kurla Complex, Bandra (E),  
Mumbai – 400 051.

The General Manager, DCS-CRD  
Corporate Relationship Dept.,  
Bombay Stock Exchange limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001.

Dear Sir,

**Subject:** Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2020 -  
Venky's (India) Limited.

**Ref: - Scrip Code** (i) Bombay Stock Exchange Limited - **523261**  
(ii) National Stock Exchange of India Limited - **VENKEYS**

Pursuant to Regulation 33(3)(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Audited Financial Results of Venky's (India) Limited for the quarter and year ended 31<sup>st</sup> March, 2020 which were reviewed by the Audit Committee and approved and taken on record by the Board of Directors at their respective meetings, held on 29<sup>th</sup> June, 2020.

Further, the Board of Directors has not recommended any dividend for the financial year ended 31<sup>st</sup> March 2020.

The aforesaid Board Meeting commenced at 10.30. A.M. IST and was concluded at 1:00. P.M. IST.

Kindly take the said documents on your records and acknowledge receipt of the same.

**FOR VENKY'S (INDIA) LIMITED**

**ROHAN BHAGWAT**  
**COMPANY SECRETARY &**  
**COMPLIANCE OFFICER**



**Encl: As above**

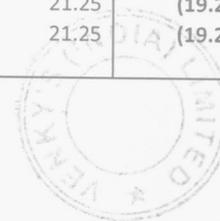
VENKY'S (INDIA) LIMITED

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020

(Rupees in Lakhs)

| Particulars   | Quarter Ended    |                  |                  | Year Ended       | Year Ended       |
|---|------------------|------------------|------------------|------------------|------------------|
|   | 31/03/2020       | 31/12/2019       | 31/03/2019       | 31/03/2020       | 31/03/2019       |
|   | (Audited)<br>Rs. | (Audited)<br>Rs. | (Audited)<br>Rs. | (Audited)<br>Rs. | (Audited)<br>Rs. |
| <b>INCOME</b>   |                  |                  |                  |                  |                  |
| Revenue from operations   | 66,086           | 88,020           | 83,039           | 326,102          | 304,314          |
| Other income  | 866              | 916              | 803              | 3,541            | 2,901            |
| <b>TOTAL INCOME (I)</b>   | <b>66,952</b>    | <b>88,936</b>    | <b>83,842</b>    | <b>329,643</b>   | <b>307,215</b>   |
| <b>EXPENSES</b>   |                  |                  |                  |                  |                  |
| Cost of materials consumed  | 53,726           | 66,864           | 59,876           | 245,506          | 206,920          |
| Purchases of bearer biological assets   | 1,144            | 1,060            | 1,318            | 4,126            | 4,835            |
| Purchases of stock-in-trade   | 3,524            | 3,861            | 3,476            | 14,537           | 12,061           |
| Changes in inventories of finished goods, work-in-progress, stock-in-trade and biological assets. | 6,559            | 1,282            | (1,724)          | 7,386            | (3,681)          |
| Employee benefits expense   | 5,579            | 5,572            | 5,186            | 21,987           | 19,449           |
| Finance costs   | 982              | 688              | 761              | 2,951            | 3,155            |
| Depreciation and amortisation expense   | 1,045            | 798              | 769              | 3,425            | 2,935            |
| Impairment of goodwill  | -                | -                | -                | -                | 258              |
| Other expenses  | 7,307            | 9,653            | 8,947            | 34,695           | 33,631           |
| <b>TOTAL EXPENSES (II)</b>  | <b>79,866</b>    | <b>89,778</b>    | <b>78,609</b>    | <b>334,613</b>   | <b>279,563</b>   |
| <b>PROFIT/(LOSS) BEFORE TAX (I-II)</b>  | <b>(12,914)</b>  | <b>(842)</b>     | <b>5,233</b>     | <b>(4,970)</b>   | <b>27,652</b>    |
| <b>Less: Tax expense/(Tax Income):</b>  |                  |                  |                  |                  |                  |
| Current tax   | (1,870)          | (270)            | 2,075            | -                | 9,950            |
| Deferred tax  | (1,294)          | 14               | (114)            | (2,177)          | 10               |
| Tax adjustment in respect of earlier period   | (77)             | -                | 278              | (77)             | 278              |
| <b>Sub Total</b>  | <b>(3,241)</b>   | <b>(256)</b>     | <b>2,239</b>     | <b>(2,254)</b>   | <b>10,238</b>    |
| <b>PROFIT/(LOSS) FOR THE PERIOD (A)</b>   | <b>(9,673)</b>   | <b>(586)</b>     | <b>2,994</b>     | <b>(2,716)</b>   | <b>17,414</b>    |
| <b>OTHER COMPREHENSIVE INCOME</b>   |                  |                  |                  |                  |                  |
| <b>Items that will not be reclassified to profit or loss</b>                                      |                  |                  |                  |                  |                  |
| Re-measurement gains/(losses) on defined benefit plans <sup>#</sup>                               | (541)            | -                | (123)            | (541)            | (123)            |
| Less: Income tax  | (136)            | -                | (43)             | (136)            | (43)             |
| <b>Sub Total</b>  | <b>(405)</b>     | <b>-</b>         | <b>(80)</b>      | <b>(405)</b>     | <b>(80)</b>      |
| <b>Items that will be reclassified to profit or loss</b>  |                  |                  |                  |                  |                  |
| Net movement on cash flow hedges  | 1                | 5                | (14)             | (8)              | 89               |
| Less: Income tax  | -                | 3                | (5)              | (2)              | 31               |
| <b>Sub Total</b>  | <b>1</b>         | <b>2</b>         | <b>(9)</b>       | <b>(6)</b>       | <b>58</b>        |
| <b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD (B)</b>  | <b>(404)</b>     | <b>2</b>         | <b>(89)</b>      | <b>(411)</b>     | <b>(22)</b>      |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A+B)</b>  | <b>(10,077)</b>  | <b>(584)</b>     | <b>2,905</b>     | <b>(3,127)</b>   | <b>17,392</b>    |
| Paid-up equity share capital (Face Value of ₹ 10/- each)  | 1,409            | 1,409            | 1,409            | 1,409            | 1,409            |
| Other equity  |                  |                  |                  | 82,217           | 86,740           |
| <b>Earnings per share ( Nominal Value of Share: ₹ 10/- per equity share) (* not annualised)</b>   | <b>*</b>         | <b>*</b>         | <b>*</b>         |                  |                  |
| (a) Basic   | (68.66)          | (4.16)           | 21.25            | (19.28)          | 123.62           |
| (b) Diluted   | (68.66)          | (4.16)           | 21.25            | (19.28)          | 123.62           |

# Based on the actuarial valuation report taken by the Company on annual basis.



Venky's (India) Limited  
Segment Information

(Rupees in Lakhs)

| Particulars  | Quarter Ended    |                  |                  | Year Ended       |                  |
|--|------------------|------------------|------------------|------------------|------------------|
|  | 31/03/2020       | 31/12/2019       | 31/03/2019       | 31/03/2020       | 31/03/2019       |
|  | (Audited)<br>Rs. | (Audited)<br>Rs. | (Audited)<br>Rs. | (Audited)<br>Rs. | (Audited)<br>Rs. |
| <b>1 SEGMENT REVENUE</b>                                     |                  |                  |                  |                  |                  |
| a. Poultry and Poultry Products                              | 29,670           | 42,160           | 38,557           | 156,700          | 147,600          |
| b. Animal Health Products                                    | 5,163            | 6,042            | 6,315            | 23,222           | 24,096           |
| c. Oilseed   | 33,902           | 43,179           | 41,174           | 158,946          | 143,104          |
| <b>Total</b>   | <b>68,735</b>    | <b>91,381</b>    | <b>86,046</b>    | <b>338,868</b>   | <b>314,800</b>   |
| <b>Less: Inter-segment Revenue</b>                           | <b>2,649</b>     | <b>3,361</b>     | <b>3,007</b>     | <b>12,766</b>    | <b>10,486</b>    |
| <b>Revenue From Operations</b>                               | <b>66,086</b>    | <b>88,020</b>    | <b>83,039</b>    | <b>326,102</b>   | <b>304,314</b>   |
| <b>2 SEGMENT RESULTS</b>                                     |                  |                  |                  |                  |                  |
| <b>Profit/(Loss) before tax and interest</b>                 |                  |                  |                  |                  |                  |
| a. Poultry and Poultry Products                              | (13,533)         | (2,757)          | 3,641            | (11,633)         | 21,987           |
| b. Animal Health Products                                    | 626              | 1,039            | 1,155            | 3,981            | 4,277            |
| c. Oilseed   | 1,294            | 2,255            | 1,635            | 6,818            | 6,174            |
| <b>Total</b>   | <b>(11,613)</b>  | <b>537</b>       | <b>6,431</b>     | <b>(834)</b>     | <b>32,438</b>    |
| <b>Less:</b>   |                  |                  |                  |                  |                  |
| (i) Interest   | 982              | 688              | 761              | 2,951            | 3,155            |
| (ii) Other unallocable expenditure net of unallocable income | 319              | 691              | 437              | 1,185            | 1,631            |
| <b>Total Profit/(Loss) Before Tax</b>                        | <b>(12,914)</b>  | <b>(842)</b>     | <b>5,233</b>     | <b>(4,970)</b>   | <b>27,652</b>    |
| <b>3 SEGMENT ASSETS</b>                                      |                  |                  |                  |                  |                  |
| a. Poultry and Poultry Products                              | 76,211           | 86,989           | 80,868           | 76,211           | 80,868           |
| b. Animal Health Products                                    | 10,529           | 9,516            | 8,523            | 10,529           | 8,523            |
| c. Oilseed   | 45,493           | 45,369           | 40,857           | 45,493           | 40,857           |
| <b>Total</b>   | <b>132,233</b>   | <b>141,874</b>   | <b>130,248</b>   | <b>132,233</b>   | <b>130,248</b>   |
| d. Unallocable assets  | 27,498           | 27,088           | 25,485           | 27,498           | 25,485           |
| <b>Total Assets</b>  | <b>159,731</b>   | <b>168,962</b>   | <b>155,733</b>   | <b>159,731</b>   | <b>155,733</b>   |
| <b>4 SEGMENT LIABILITIES</b>                                 |                  |                  |                  |                  |                  |
| a. Poultry and Poultry Products                              | 29,431           | 27,449           | 24,479           | 29,431           | 24,479           |
| b. Animal Health Products                                    | 3,551            | 2,433            | 3,226            | 3,551            | 3,226            |
| c. Oilseed   | 9,909            | 11,141           | 7,927            | 9,909            | 7,927            |
| <b>Total</b>   | <b>42,891</b>    | <b>41,023</b>    | <b>35,632</b>    | <b>42,891</b>    | <b>35,632</b>    |
| d. Unallocable Liabilities                                   | 33,214           | 34,199           | 31,952           | 33,214           | 31,952           |
| <b>Total Liabilities</b>                                     | <b>76,105</b>    | <b>75,222</b>    | <b>67,584</b>    | <b>76,105</b>    | <b>67,584</b>    |



VENKY'S (INDIA) LIMITED  
BALANCE SHEET AS AT 31 MARCH 2020

(Rupees in Lakhs)

| Particulars   | As at          | As at          |
|---|----------------|----------------|
|   | 31 Mar 2020    | 31 Mar 2019    |
|   | (Audited)      | (Audited)      |
|   | Rs.            | Rs.            |
| <b>ASSETS</b>                                       |                |                |
| <b>Non-current Assets</b>                           |                |                |
| Property, Plant and Equipment                       | 55,419         | 49,082         |
| Capital work-in-progress                            | 5,275          | 6,643          |
| Right of use assets                                 | 655            | -              |
| Goodwill  | 1,010          | 1,010          |
| Other Intangible assets                             | 23             | 12             |
| Financial Assets                                    |                |                |
| - Loans   | 5              | 18             |
| - Other financial assets                            | 6,494          | 7,292          |
| Income tax assets (Net)                             | 3,483          | 516            |
| Other non-current assets                            | 1,895          | 2,125          |
| (a)   | <b>74,259</b>  | <b>66,698</b>  |
| <b>CURRENT ASSETS</b>                               |                |                |
| Inventories   | 11,131         | 20,884         |
| Biological assets                                   | 11,463         | 18,562         |
| Financial assets                                    |                |                |
| -Investments  | 703            | 615            |
| -Trade receivables                                  | 44,843         | 30,555         |
| -Cash and cash equivalents                          | 516            | 930            |
| -Bank balances other than cash and cash equivalents | 14,718         | 14,460         |
| - Loans   | 109            | 118            |
| -Other financial assets                             | 1,209          | 1,752          |
| Other current assets                                | 780            | 1,159          |
| (b)   | <b>85,472</b>  | <b>89,035</b>  |
| <b>Total Assets (a+b)</b>                           | <b>159,731</b> | <b>155,733</b> |
| <b>EQUITY AND LIABILITIES</b>                       |                |                |
| <b>Equity</b>                                       |                |                |
| Equity Share capital                                | 1,409          | 1,409          |
| Other Equity  | 82,217         | 86,740         |
| (a)   | <b>83,626</b>  | <b>88,149</b>  |
| <b>Liabilities</b>                                  |                |                |
| <b>Non-current liabilities</b>                      |                |                |
| Financial liabilities                               |                |                |
| - Borrowings  | 2,058          | 3,993          |
| - Lease liabilities                                 | 722            | -              |
| - Other financial liabilities                       | 97             | 86             |
| Provisions  | 1,461          | 1,186          |
| Deferred tax liabilities (Net)                      | 1,195          | 3,523          |
| Other non current liabilities                       | 24             | 27             |
| (b)   | <b>5,557</b>   | <b>8,815</b>   |
| <b>Current Liabilities</b>                          |                |                |
| Financial liabilities                               |                |                |
| - Borrowings  | 25,456         | 18,940         |
| - Trade payables                                    |                |                |
| Dues to micro enterprises and small enterprises     | 222            | 198            |
| Dues to others                                      | 38,320         | 27,861         |
| - Other financial liabilities                       | 3,574          | 5,265          |
| Other current liabilities                           | 2,076          | 5,658          |
| Provisions  | 900            | 330            |
| Current tax liabilities (net)                       | -              | 517            |
| (c)   | <b>70,548</b>  | <b>58,769</b>  |
| <b>Total Equity and Liabilities (a+b+c)</b>         | <b>159,731</b> | <b>155,733</b> |



VENKY'S (INDIA) LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

(Rupees in Lakhs)

| Particulars   | Year Ended     | Year Ended      |
|---|----------------|-----------------|
|   | 31/03/2020     | 31/03/2019      |
|   | (Audited)      | (Audited)       |
|   | Rs.            | Rs.             |
| <b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>                    |                |                 |
| Profit/(Loss) before tax  | (4,970)        | 27,652          |
| Adjustments for:  |                |                 |
| Depreciation and amortization expense                             | 3,425          | 2,935           |
| Impairment of goodwill  | -              | 258             |
| Interest income   | (1,814)        | (1,546)         |
| Finance cost  | 2,951          | 3,155           |
| Government grant amortized in statement of profit and loss        | (3)            | (3)             |
| Fair value changes in biological assets                           | 5,270          | (1,915)         |
| Loss on property, plant & equipment sold/ discarded (net)         | 31             | 56              |
| Fair Value adjustment/Gain on sale of current investments (net)   | (93)           | (5)             |
| Provision for credit impaired debts and advances                  | 212            | 71              |
| Profit on lease modification                                      | (3)            | -               |
| Loss/(Gain) on unrealised foreign exchange (net)                  | 60             | (13)            |
| <b>Operating profit before changes in assets and liabilities</b>  | <b>5,066</b>   | <b>30,645</b>   |
| <b>Changes in assets and liabilities</b>                          |                |                 |
| Inventories   | 9,753          | (4,664)         |
| Biological assets   | 1,828          | (3,033)         |
| Trade receivables & other financial assets                        | (14,742)       | (1,734)         |
| Non financial assets  | 334            | 661             |
| Trade payables and other financial liabilities                    | 10,443         | 5,267           |
| Non financial liabilities and provisions                          | (3,278)        | (209)           |
| <b>Cash generated from operations</b>                             | <b>9,404</b>   | <b>26,933</b>   |
| Direct taxes paid   | (3,588)        | (11,042)        |
| <b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>                 | <b>5,816</b>   | <b>15,891</b>   |
| <b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>                    |                |                 |
| Proceeds from sale of property, plant and equipment               | 51             | 27              |
| Payments towards capital expenditure                              | (8,366)        | (10,184)        |
| Proceeds/(Payments) towards sales/purchases in mutual funds (net) | 5              | (610)           |
| Capital advances received back                                    | 1,200          | 3,000           |
| Intercompany deposits placed                                      | -              | (1,880)         |
| Intercompany deposits received back                               | -              | 4,269           |
| Interest received   | 1,806          | 1,551           |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>                      | <b>(5,304)</b> | <b>(3,827)</b>  |
| <b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>                    |                |                 |
| Proceeds from long-term borrowings                                | 1,475          | 1,386           |
| Repayment of long-term borrowings                                 | (4,383)        | (10,390)        |
| Proceeds from short-term borrowings (net of repayments)           | 6,516          | 1,650           |
| Finance cost paid   | (3,186)        | (3,356)         |
| Dividend paid (including dividend distribution tax)               | (1,348)        | (1,333)         |
| <b>NET CASH USED IN FINANCING ACTIVITIES</b>                      | <b>(926)</b>   | <b>(12,043)</b> |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>       | <b>(414)</b>   | <b>21</b>       |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR            | 930            | 909             |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>           | <b>516</b>     | <b>930</b>      |



## NOTES:

1. During the quarter ended March, 2020, the Company incurred losses mainly due to unprecedented lower realizations from sale of poultry products. Sales turnover and profits were also lower in respect of the Animal Health Products and Oilseed divisions.

2. Covid-19 outbreak :

The outbreak of Covid-19 pandemic resulted in severe disruption of economic activities throughout the world, including India. For the poultry industry, from the last week of January, 2020 false propaganda and rumours about corona virus infection by consuming chicken and eggs have adversely affected the sales turnover and realizations. Further, the lockdown announced by the Government of India in March, 2020 has also affected the operations of the Company. These factors have drastically reduced the sales volume and the Company has faced unprecedented losses.

Many of the poultry production facilities were not closed during lockdown, since they are part of essential services. There was temporary closure in respect of Animal Health Products Unit (from 3rd week of March to 3rd week of May) and Chicken Processing Plant (from 4th week of March to 2nd week of April). Presently, all the business units are in operation, in a phased manner, in line with the directives of the statutory authorities.

As far as the future financial performance of the Company is concerned, it is difficult to make any reliable estimate as of now since normalcy is yet to return.

3. Status of Expansion Projects:

- a. Solvent Extraction Plant and Vegetable Oil Refinery in Srirampur, Maharashtra : Due to COVID-19 pandemic situation, completion of the project work was delayed. The project is in final stage of completion and approximately one-month's work is pending which is expected to be completed shortly.
- b. Expansion of Specific Pathogen Free Eggs capacity by setting up new production unit at Patan, Maharashtra: The project has been completed. SPF breeding stock has been placed in a phased manner and is in growing stage. Production of SPF eggs will commence from October, 2020.

4. In view of the losses, the Board of Directors has not recommended any dividend for the financial year ended 31<sup>st</sup> March, 2020.

5. During the quarter ended 30<sup>th</sup> September, 2019 the Company has exercised the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 and the impact of such change was recognized in that quarter. The tax expense/ (tax income) for the quarter ended 31<sup>st</sup> March 2020 has been consistently recognised basis the above selected option.



6. The above results were perused by the Audit Committee and thereafter approved by the Board of Directors at their respective meetings held on 29<sup>th</sup> June, 2020.
7. Figures of the last quarter are balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
8. The statutory auditor has issued an unqualified audit report pertaining to financials for year ended 31<sup>st</sup> March, 2020.
9. Previous year figures are regrouped/reclassified to conform to the current year's presentation.

Place: Pune  
Date: 29<sup>th</sup> June, 2020



**For Venky's (India) Limited**

A handwritten signature in black ink, appearing to read "B. Balaji Rao".

**B. Balaji Rao**  
**Managing Director**  
**DIN: 00013551**

**INDEPENDENT AUDITOR'S REPORT  
TO THE BOARD OF DIRECTORS OF VENKY'S (INDIA) LIMITED**

**Report on the audit of the Financial Results**

**Opinion**

We have audited the accompanying quarterly financial results of Venky's (India) Limited ("the Company") for the quarter ended March 31, 2020 and the year to date results for the period from April 01, 2019 to March 31, 2020 ("the financial results"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the quarter ended March 31, 2020 as well as the year to date results for the period from April 01, 2019 to March 31, 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to note 2 to the financial results, which describes the impact of COVID-19 pandemic on the operations of the Company. Our opinion is not modified in respect of this matter.

**Management's Responsibilities for the Financial Results**

These financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating



effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditors Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial



results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Other Matter:**

- i. Attention is drawn to the fact that the financial results includes the result for the quarter ended 31<sup>st</sup> March, 2020 being the balancing figure between audited figures in respect of full financial year and published period end figures up to the third quarter of the current financial year.
- ii. In view of the national lockdown due to COVID-19 pandemic, the physical verification procedures for inventory could not be carried out by the management in the manner it is generally carried out at the year end and our attendance was impracticable. Consequently, we have performed alternate procedures as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence regarding the existence of inventory.

Our opinion is not modified in respect of above matters.

Place: Mumbai  
Dated: 29<sup>th</sup> June, 2020



For **B. D. Jokhakar & Co.**  
Chartered Accountants  
Firm Registration Number: 104345W

A handwritten signature in black ink, appearing to read "Raman Jokhakar".

**Raman Jokhakar**  
Partner

Membership Number: 103241  
UDIN: 20103241AAAADA4472

Address: 8 Ambalal Doshi Marg, Fort, Mumbai 400001