

Date: 14<sup>th</sup> June, 2021

To,  
**BSE Limited**  
Phiroze Jeejeebhoy Tower,  
Dalal Street,  
Mumbai – 400 001.

Dear Sir/Madam,

**SUB.: OUTCOME OF BOARD MEETING.**

With reference to the above, we would like to inform that the Board of Directors of the Company at their meeting held today i.e. on Monday, 14<sup>th</sup> June, 2021 had considered the following:

1. Approved Audited Financial Results along with Statement of Assets and Liabilities and Cash Flow Statement of the Company for the Quarter and Year ended on 31<sup>st</sup> March, 2021.
2. Auditors' report on Audited Financial Results for the aforesaid period.
3. Recommended a final dividend of Rs. 0.5 per equity shares (5%) of Rs. 10/- each for the financial year ended March 31, 2021.

The dividend, if declared by the shareholders in the ensuing 28<sup>th</sup> Annual General Meeting of the Company shall be paid to the shareholders within 30 days from the date of Annual General Meeting.

4. Appointment of M/s. Dharti Patel and Associates, Practicing Company Secretary, as the secretarial auditor of the company for conducting secretarial audit of the financial year 2020-2021.

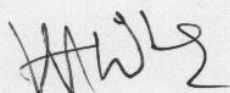
The information required to be submitted pursuant to Regulation 30 of the Listing Regulations is attached as Annexure - I.

The meeting of the Board of Directors of the Company commenced at 04:30 P.M and concluded at 05:45 P.M.

Kindly take the same on records.

Thanking you,

Yours faithfully,  
**For Archit Organosys Limited**



**Kandarp Amin**  
**Chairman and Whole Time Director**

## ANNEXURE-I

### 1. Appointment of M/S. Dharti Patel and Associates as the Secretarial Auditor of the Company.

#### a) Reason for appointment:

In accordance with the provisions of Section 204 of Companies Act, 2013, the Company has appointed Secretarial Auditor for conducting the secretarial audit of the Company for the financial year 2020-21.

#### b) Date of appointment and Term of appointment:

M/S. Dharti Patel and Associates, Company Secretaries, is appointed as the Secretarial Auditor of the Company at Board Meeting of the Company held on Monday, June 14, 2021, to conduct the secretarial audit of the Company for the financial year 2020-21 on such remuneration as decided by the Board of Directors and M/S. Dharti Patel and Associates, mutually.

#### c) Brief Profile:

M/S. Dharti Patel and Associates is a firm of Practicing Company Secretaries possessing more than 3 years of extensive experience in the fields of Corporate Laws & Procedures, Secretarial Compliance Audit, SEBI Regulations, SEBI Listing Regulations, FEMA Compliances, Takeover Regulations, Prohibition of Insider Trading Regulation and other related compliances. M/S. Dharti Patel and Associates has accorded consent to act as Secretarial Auditor of the Company and is qualified and eligible for appointment in accordance with the requirements of the Companies Act, 2013.





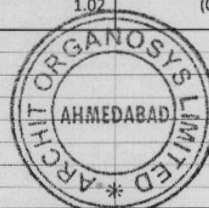
ARCHIT ORGANOSYS LIMITED  
Reg Office: Plot No. 25/9-A Phase-III GIDC., Naroda, Ahmedabad -382330  
Website: www.architorg.com email: share@architorg.com  
Tele: +91-79-40082447 CIN: L24110GJ1993PLC019941

Statement of Audited Financial Result (Standalone) for the Quarter and Year ended on March 31, 2021

(Rs. in Lacs)

No.	Particulars	For the Quarter Ended			For the Year Ended	
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
		Audited	Unaudited	Audited	Audited	Audited
I	<b>Income</b>					
[a]	Revenue From Operations	3050.95	2543.00	1665.28	9451.10	7669.03
[b]	Other Income	14.27	29.38	98.4	54.32	228.78
II	<b>Total Income(a+ b)</b>	<b>3065.22</b>	<b>2572.38</b>	<b>1763.68</b>	<b>9505.42</b>	<b>7897.81</b>
III	<b>Expenses:</b>					
[a]	Cost of materials consumed	1243.59	741.08	438.4	3,063.35	2777.81
[b]	Purchase of Stock in Trade	909.32	947.11	647.69	3,089.05	2407.78
[c]	Changes in inventories of finished goods, work in progress and stock in - trade	(196.10)	70.53	69.54	(41.13)	184.88
[d]	Employees benefits expenses	182.67	149.41	201.8	610.10	616.61
[e]	Finance costs	86.60	68.58	53.67	324.53	315.3
[f]	Depreciation and amortisation expenses	91.10	90.53	129.05	366.55	347.44
[g]	Power & Fuel	101.17	94.55	52.69	359.11	348.21
[h]	Other expenses	524.48	252.99	221.16	1,265.45	978.9
IV	<b>Total Expenses</b>	<b>2,942.83</b>	<b>2,414.78</b>	<b>1814.00</b>	<b>9,037.01</b>	<b>7976.93</b>
V	<b>Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)</b>	<b>122.39</b>	<b>157.60</b>	<b>(50.32)</b>	<b>468.41</b>	<b>(79.12)</b>
VI	Exceptional Items	-	-	-	-	-
VII	<b>Profit before extraordinary items and tax (V-VI)</b>	<b>122.39</b>	<b>157.60</b>	<b>(50.32)</b>	<b>468.41</b>	<b>(79.12)</b>
VIII	Extraordinary items	-	-	-	-	-
IX	<b>Profit before tax (VII-VIII)</b>	<b>122.39</b>	<b>157.60</b>	<b>(50.32)</b>	<b>468.41</b>	<b>(79.12)</b>
X	<b>Tax Expenses:</b>					
(a)	Current Tax	39.50	4.50	-	46.00	-
(b)	Deferred Tax	(30.13)	-	0.49	(30.13)	0.49
(C)	MAT Credit Entitlement	(46.00)	-	4.81	(46.00)	4.81
(d)	Income tax of earlier years	0.00	-	(4.31)	(2.11)	(4.31)
	<b>Total Tax Expenses</b>	<b>(36.63)</b>	<b>4.50</b>	<b>0.99</b>	<b>(32.24)</b>	<b>0.99</b>
XI	<b>Profit(loss) for the Period from Continuing operations(IX-X)</b>	<b>159.02</b>	<b>153.10</b>	<b>(51.31)</b>	<b>500.65</b>	<b>(80.11)</b>
XII	Profit(loss) for the Period from discontinuing operations	0.00	-	-	-	-
XIII	Tax expenses of discontinuing operations	0.00	-	-	-	-
XIV	<b>Profit(loss) for the Period from discontinuing operations (after tax) (XII-XIII)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
XV	<b>Net Profit(loss) for the Period (XI-XIV)</b>	<b>159.02</b>	<b>153.10</b>	<b>(51.31)</b>	<b>500.65</b>	<b>(80.11)</b>
XVI	<b>Other Comprehensive Income</b>					
[a]	Items that will not be reclassified to Profit or Loss (Net of Tax)	4.91	-	(1.35)	4.91	(1.35)
[b]	Items that will be reclassified to Profit or Loss (Net of tax)	0.00	-	-	-	-
XVII	<b>Total Comprehensive income for the period (XV+XVI) (Comprising Profit/(Loss) and other Comprehensive income for the period)</b>	<b>154.11</b>	<b>153.10</b>	<b>(52.66)</b>	<b>505.56</b>	<b>(81.46)</b>
XVIII	Paid-up equity share capital (face value of Rs.10)	1,502.07	1,502.07	1,502.07	1,502.07	1,502.07
XIX	Reserves/ Other Equity				2,551.76	1,908.70
XX	<b>Earning per equity Shares(before extra-ordinary Items)</b>					
[a]	Basic	1.06	1.02	(0.34)	3.33	(0.53)
[b]	Diluted	1.06	1.02	(0.34)	3.33	(0.53)
XXI	<b>Earning per equity Shares(after extra-ordinary Items)</b>					
[a]	Basic	1.06	1.02	(0.34)	3.33	(0.53)
[b]	Diluted	1.06	1.02	(0.34)	3.33	(0.53)

Date: 14-06-2021  
Place: Ahmedabad



For and behalf of the Board

Kandarp Amin  
Chairman and Whole-time Director  
DIN:00038972



**Notes:**

- 1 The financial results of the company for the quarter and year ended March 31, 2021 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their meeting held on 14th June, 2021.

- 2 With regard to the observation of auditors relating to Non provision of the option loss including interest, the management has given proposal to HDFC for amicable settlement for amount of rupees of Eleven lacs as full and final amount

- 3 Legal Proceeding has been filed by appropriate authority against Director and Manager of the Company for alleged causing death of black bucks. The Company and its director are not responsible for the same. The company has already intimated BSE about letter received from GPCB revoking its order for closure of the Bhavnagar unit.

- 4 Amounts for the quarters ended on 31 March 2021 and 31 March 2020 are the balancing amounts between audited amounts for full financial year and the published year to date amounts upto third quarter of the respective financial year which were subjected to limited review.

"Manufacturing facilities of the Company which were shutdown in the last week of March 2020 due to countrywide lockdown. resumed operations in a phased manner from the last week of April 2020 after obtaining the requisite approvals.

- 5 The Company has considered possible effects that may result from COVID-19 in preparation of these financial results including recoverability of inventories, trade receivables and other assets. In developing the assumptions relating to future uncertainties in the economic conditions due to COVID-19, it has, at the date of approval of these financial results, used relevant internal and external sources of information including economic forecasts and expects that the carrying amounts of these assets are recoverable. The impact of COVID-19, including the current wave, may be different from that estimated as at the date of approval of these financial results. "

- 6 Segment Reporting as defined in Ind AS 108 is not applicable, since the Company operates in only one segment.

- 7 The Board of Directors has recommended a dividend of Rs. 0.50 per shares (5%) of Rs. 10/- each subject to approval of shareholders at the ensuing Annual General Meeting.

- 8 Comparative figures have been rearranged/regrouped wherever necessary.

Company has allotted 55,00,000 convertible warrants on preferential basis after approved by members at the 27th Annual General Meeting of the Company held on September 29, 2020 and received In- principle approval from BSE Limited vide letter no. DCS/PREF/JR/PRE/807/2020-21 dated September 29, 2020. The convertible warrants have been allotted by Board of Directors on October 13, 2020. As per SEBI (ICDR) Regulations, 25% of issue price i.e. Rs. 2.5 per warrant has been received upon allotment of warrants. The balance money is receivable at the time of conversion of warrants into equity shares.

As on 31st March 2021, there is no change in paid-up share capital of the Company.

However after the closure of the year, the Company has received request for conversion of 20,00,000 warrants into equity shares by paying up balance Rs.7.50/- per share. The Board of Directors at its meeting held on 31.05.2021 has allotted 20,00,000 equity shares of Rs. 10/- each fully paid up upon conversion of said warrants.

- 10 Details of amount utilized from convertible warrants till **March 31, 2021** is as follows: (Rs. In Lacs)

No.	Total issue size of Convertible Warrants	Amount received @2.5 per warrant till 31st March 2021	Amount utilized
1	550	137.5	137.5

Date: 14/06/2021  
Place: Ahmedabad



For and on behalf of the Board

*Handwritten signature of Kandarp Amin*

Kandarp Amin  
Chairman and Whole-time Director  
DIN:00038972

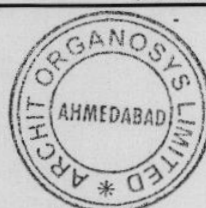


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**Statement of Asset and Liability as on March 31, 2021 (Rs. in Lacs)**

No.	Particulars	31.03.2021 Audited	31.03.2020 Audited
<b>I</b>	<b>ASSET:</b>		
<b>1</b>	<b>Non-current Assets:</b>		
[a]	Property, plant and equipment	4,642.17	4,864.21
[b]	Right of Use Assets	124.55	175.90
[c]	Capital work in progress	298.15	107.52
[d]	Other Intangible assets	0.02	2.33
[e]	Investment Property	-	-
[f]	Goodwill	-	-
[g]	Intangible assets under development	-	-
[h]	Financial Assets		
	(i)Investment	30.00	-
	(ii)Trade Receivables	-	-
	(ii)Long Term loans and advances	-	-
	(iv)other non-current Financial Assets	82.73	75.08
[i]	Deferred tax assets (net)	138.07	63.73
[j]	Non current Assets held for sale	5.50	-
[k]	other non-current assets	16.28	0.51
	<b>Total Non-current Assets</b>	<b>5,337.47</b>	<b>5,289.28</b>
<b>2</b>	<b>Current Assets:</b>		
[a]	Inventories	353.93	328.14
[b]	Financial assets:		
	(i)Loans Granted	-	-
	(ii)Trade and other receivables	2,500.47	1,972.24
	(iii)Cash and short term deposits	380.97	294.59
	(iv)Bank balance other than above	-	-
	(v)Loan and advances	2.15	2.35
	(iv)Others current financial assets	97.08	235.59
[c]	current tax Assets(net)	7.61	33.75
[d]	Other current assets	69.10	160.66
	<b>Total Current Assets</b>	<b>3,411.31</b>	<b>3,027.32</b>
	<b>TOTAL ASSETS(1+2)</b>	<b>8,748.78</b>	<b>8,316.60</b>
<b>II</b>	<b>EQUITY AND LIABILITIES:</b>		
<b>1</b>	<b>Equity</b>		
	(i) Equity Share Capital	1,502.07	1502.07
	(ii) Other Equity	2,551.76	1908.7
	<b>Total Equity</b>	<b>4,053.83</b>	<b>3,410.77</b>
<b>2</b>	<b>Liabilities</b>		
[a]	<b>Non-current liabilities:</b>		
	(i) Financial liabilities		
	(1) Borrowings	1,211.37	1239.74
	(2) Trade Payable	-	-
	(3) other non-current financial liabilities	29.66	84.57
	(ii) provisions	26.27	23.84
	(iii) Deferred tax liabilities(net)	-	-
	(iv) other non-current liabilities	-	-
	<b>Total Non-current Liabilities</b>	<b>1,267.30</b>	<b>1,348.15</b>
[b]	<b>Current liabilities:</b>		
	(i) Financial Liabilities:		
	(1) Borrowings	958.47	1,430.33
	(2) Trade Payables	1,461.09	1,291.46
	(3) Other Financial Liabilities	940.88	751.65
	(ii) Other Current liabilities	23.39	52.63
	(iii) Provisions	27.78	31.61
	(iii) current tax liabilities(net)	16.04	-
	<b>Total Current Liabilities</b>	<b>3,427.65</b>	<b>3,557.68</b>
	<b>TOTAL EQUITY AND LIABILITIES(1+2)</b>	<b>8,748.78</b>	<b>8,316.60</b>

Date: 14/06/2021  
 Place: Ahmedabad



*Kandarp Amin*  
**Kandarp Amin**  
 Chairman and Whole-time Director  
 DIN:00038972




**ARCHIT ORGANOSYS LIMITED**

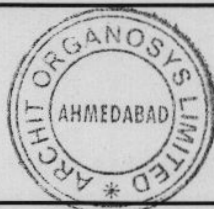
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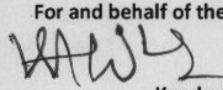
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**Statement of Cash Flow for Financial Year 2020-2021 (Rs. In Lacs)**

No.	Particulars	31.3.2021	31.3.2020
		Audited	Audited
<b>A.</b>	<b>Cash flow from operating activities</b>		
	Profit/(Loss) for the year before taxation	468.41	(79.12)
	<b>Adjustments for</b>		
	Depreciation on PPE	311.32	295.05
	Depreciation on Right of Use Assets	52.40	52.39
	Finance Cost(Borrowings and others)	315.67	302.45
	Finance Cost(Right of use Assets)	8.86	12.85
	Interest Income	(43.72)	(41.56)
	Loss / (Profit) on sale of Fixed Assets / Asset Impaired	23.08	(0.16)
	Profit on sale of Investments	-	(0.95)
	Remeasurement gain/(loss) I defined benefit plans	6.71	(1.84)
	Net Foreign Exchange Differences	2.57	(3.53)
	Sundry Balance Written Back	(0.26)	(8.06)
	Sundry Balance Written Off	7.04	1.03
	Operating profit before working capital changes	<b>1152.08</b>	<b>528.55</b>
	<b>Adjustments for Changes in working capital</b>		
	Decrease / (Increase) in Inventories	(25.79)	256.33
	Decrease / (Increase) in Other Non current financial assets	(7.65)	2.69
	Decrease / (Increase) in Other Non current assets	(15.78)	(0.51)
	Decrease / (Increase) in Other Non current assets held for sale	(5.50)	-
	Decrease / (Increase) in Other current financial asset	137.22	(151.54)
	Decrease / (Increase) in Other current assets	91.55	(100.27)
	Decrease / (Increase) in Loans	0.20	394.98
	Decrease / (Increase) in Trade Receivables	(537.84)	(538.23)
	Increase / (Decrease) in Trade Payables	169.90	236.17
	Increase / (Decrease) in Other current financial liabilities	184.89	128.23
	Increase / (Decrease) in Other current liabilities	(29.24)	14.06
	Increase / (Decrease) in Provision	(1.39)	11.17
	Cash generated from operations	1,112.65	781.63
	Direct taxes Refund/(paid)	(1.72)	(7.61)
	<b>Net Cash from Operating Activities</b>	<b>1,110.93</b>	<b>774.02</b>
<b>B.</b>	<b>Cash flow from investing activities</b>		
	Purchase of Property, Plant and Equipment	(18.70)	(526.21)
	Purchase of CWIP	(297.08)	377.12
	Purchase of Investment	(30.00)	-
	Proceeds from sale of investment	-	0.95
	Sale of Property, Plant and Equipment	14.06	19.77
	Interest received	45.01	45.94
	<b>Net Cash from / (used in) investing activities</b>	<b>(286.71)</b>	<b>(82.43)</b>
<b>C.</b>	<b>Cash flow from financing activities</b>		
	Procurement/(Repayment) of long/ short term borrowings	(500.23)	(525.03)
	Money Received against share warrants	137.50	-
	Rent Expense Paid	(59.44)	(59.43)
	Interest Paid	(315.67)	(302.45)
	<b>Net cash flow from financial activities</b>	<b>(737.84)</b>	<b>(886.91)</b>
	<b>Net Increase/(Decrease) in cash &amp; cash equivalents</b>	<b>86.38</b>	<b>(195.32)</b>
	Cash and cash equivalents opening	294.59	489.91
	Cash and cash equivalents closing	<b>380.97</b>	<b>294.59</b>
	<b>Components of Cash and cash equivalent</b>		
	Balances with scheduled banks	4.41	103.82
	Cheque In Hand	372.90	146.66
	Cash in hand	3.54	1.77
	Fixed Deposits	0.12	42.34
	<b>Total</b>	<b>380.97</b>	<b>294.59</b>

 Date: 14/06/2021  
 Place: Ahmedabad


For and behalf of the Board

  
**Kandarp Amin**  
 Chairman and Whole-time Director  
 DIN:00038972

**Independent Auditor's Report on the Quarterly and Year to Date Audited 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  
Archit Organosys Limited

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

**Qualified Opinion**

We have audited the accompanying statement of quarterly year to date financial results of Archit Organosys Limited (the company) for the quarter ended 31st March, 2021 and for the year ended 31st March, 2021 ("Statement"), 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) except for the matter described in the below mentioned paragraph, 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 profit and other comprehensive income and other financial information for the quarter ended 31<sup>st</sup> March, 2021 and for the year ended 31<sup>st</sup> March, 2021.

**Basis for Qualified Opinion**

- (i) Based on information and explanations provided to us by the management, we report that the company had entered into derivative contract for sale of foreign currency with HDFC Bank Ltd. in financial year 2008-2009 which has resulted into loss to the tune of Rs. 197.52 lakhs against which the sum of Rs. 55.07 lakhs has already been paid to HDFC Bank Ltd. and charged to Statement of Profit and Loss in the aforesaid financial year. Consequent upon adjustment of fixed deposits amounting to Rs. 23.64 lakhs against the balance loss of Rs. 142.46 lakhs the liability on account of aforesaid loss, as per bank statement provided up to 31st January, 2013 stands to Rs. 147.07 lakhs including interest, which has not been provided for by the company. Such non provision of liability has resulted into non-compliance of Indian Accounting Standard (Ind AS) 37 and also resulted into understatement of current liabilities. Since the interest / charges, if any, for the period from 1st February, 2013 to 31st March, 2021 has not been intimated to company, the impact thereof on loss for the quarter under review could not be ascertained.

The company, however, considered aforesaid liability as contingent in nature and disclosed a sum of Rs. 11.00 Lacs as contingent liability as against Rs. 147.07 Lacs which was hitherto disclosed as contingent liability in earlier financial year as referred to note 2 of financial results.

- (ii) Attention is invited to note no. 3 to the financial result for the quarter ended on 31st March, 2021 in respect of legal case was filed by appropriate authorities alleging a director and an employee of the company causing death of Blackbucks due to drinking of contaminated water. The matter is still sub-judice pending for final adjudication. Meanwhile, the Gujarat Pollution Control Board, vide its order issued in terms of provisions of Section 33A of Water (Prevention and Control of Pollution) Act, 1974 directed the company to close its production process at Bhavnagar unit with immediate effect. In response, upon application made by the company and representation made before the authority, the Gujarat Pollution Control Board vide its

*Chirag R. Shah*  
& Associates  
B.Com., F.C.A.  
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order dated 5th November, 2018 conditionally withdrew the said order and therefore the company had resumed its operations at Bhavnagar unit by placing necessary measures.

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 Companies Act, 2013 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 qualified opinion.

#### **Emphasis of Matter**

We draw attention to Note No. 5 of the accompanying financial results, as regards the management evaluation of COVID-19 impact on the operations and assets of the Company.

Our opinion is not modified in respect of this matter.

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

The Statement has been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the applicable Accounting Standards 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.

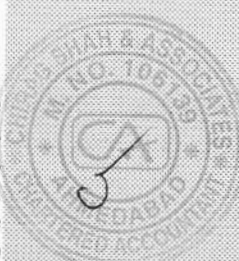
In preparing the financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate 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.

#### **Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the statement 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 the statement.

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 under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial control with reference to financial statements in place and operating effectiveness of such 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.

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 Matters

The Statement includes the results for the quarter ended 31<sup>st</sup> March, 2021 being the balancing figure between the audited figures in respect of the full financial year ended 31<sup>st</sup> March, 2021 and the published unaudited year to date figure up to 31<sup>st</sup> December, 2020 being the third quarter of the current financial year, which were subjected to a limited review by us, as required under the listing regulations.

**FOR CHIRAG R. SHAH & ASSOCIATES**

[Firm Registration No. 118791W]

Chartered Accountants



**CHIRAG R. SHAH**

Partner

Mem. No. 106139

UDIN : 21106139AAAAGL9821

Place : Ahmedabad

Date : 14<sup>th</sup> June, 2021

**ANNEXURE I**

Statement on Impact of Audit Qualification (for audit report with modified opinion) submitted along-with  
Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended 31 <sup>st</sup> March, 2021 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] [ Amount Rs. in Lakhs]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	9505.42	9505.42
	2.	Total Expenditure	9037.01	9184.08
	3.	Net Profit / (Loss) Before Tax	468.41	321.34
	4.	Earnings Per Share	3.33	2.14
	5.	Total Assets	8748.78	8748.78
	6.	Total Liabilities	4694.95	4842.02
	7.	Net Worth	4053.83	3906.76
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II	Audit Qualification (each audit qualification separately)			
1.	a.	Details of Audit Qualification	<p>The company had entered into derivative contract for sale of foreign currency with HDFC Bank Ltd. in financial year 2008-2009 which has resulted into loss to the tune of Rs. 197.52 lakhs against which the sum of Rs. 55.07 lakhs has already been paid to HDFC Bank Ltd. and charged to Statement of Profit and Loss in the aforesaid financial year. Consequent to adjustment of fixed deposits amounting to Rs. 23.64 lakhs /- against the balance loss of Rs. 142.46 lakhs /- the liability on account of aforesaid loss as per bank statement provided upto 31<sup>st</sup> Jan 2013 stands to Rs. 147.07 lakhs including interest which has not been provided for by the company. Such non provision of liability has resulted into non-compliance of IND AS 37 issued by Institute of Chartered Accountants of India and also resulted into understatement of current liabilities. Since the interest/charges, if any, for the period from 1<sup>st</sup> February, 2013 to 31<sup>st</sup> March, 2021 has not been intimated to company, the impact thereof on profit for the year under review could not be ascertained.</p> <p>The company, however, considered aforesaid liability as contingent in nature and disclosed a sum of Rs. 11.00 Lacs as contingent liability as against Rs. 147.07 Lacs which was hitherto disclosed as contingent</p>	

		liability in earlier financial year as refer to note 2 of financial results.
	b. Type of Audit Qualification	Qualified Opinion
	c. Frequency of qualification	The qualifications are being repeated since long i.e financial year 2011-2012.
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's views	Not Applicable
	e. For Audit Qualifications(s) where the impact is not quantified by the auditor:	
	(i) Management's estimation on the impact of audit qualification:	NIL
	(ii) If management is unable to estimate the impact, reasons for the same	The management has given proposal to HDFC Bank Limited for amicable settlement at Rupees Eleven Lacs as full and final amount.
	(iii) Auditors' Comments on (i) or (ii) above	Agree with management comments.
2.	a. Details of Audit Qualification	Attention is invited to note no. 3 to the financial result for the quarter ended on 31st March, 2021 in respect of legal case was filed by appropriate authorities alleging a director and an employee of the company causing death of Blackbucks due to drinking of contaminated water. The matter is still sub-judice pending for final adjudication. Meanwhile, the Gujarat Pollution Control Board, vide its order issued in terms of provisions of Section 33A of Water (Prevention and Control of Pollution) Act, 1974 directed the company to close its production process at Bhavnagar unit with immediate effect. In response, upon application made by the company and representation made before the authority, the Gujarat Pollution Control Board vide its order dated 5th November, 2018 conditionally withdrew the said order and therefore the company had resumed its operations at Bhavnagar unit by placing necessary measures.
	b. Type of Audit Qualification	Qualified Opinion.



	<p>c. Frequency of qualification</p> <p>For Audit Qualification(s) where the impact is quantified by the auditor, Management's views</p> <p>For Audit Qualifications(s) where the impact is not quantified by the auditor:</p> <p>e. i) Management's estimation on the impact of audit qualification:</p> <p>ii) If management is unable to estimate the impact, reasons for the same</p> <p>iii) Auditors' Comments on (i) or (ii) above</p>	<p>The qualifications are being repeated since last ten quarter results of the company.</p> <p>Not Applicable</p> <p>NIL</p> <p>Legal Proceeding has been filed by appropriate authority against Director and Manager of the Company for alleged causing death of black bucks. The Company and its director are not responsible for the same. The company has received letter from GPCB revoking its order for closure of the Bhavnagar unit. The same has been intimated to BSE Limited.</p> <p>Agree with management comments.</p>
<p>III</p>	<p>Signatories</p> <p><b>KANDARP AMIN</b> Chairman &amp; Whole time Director</p> <p><b>GAJENDRASINGH RAJPUT</b> CFO</p> <p><b>Bhupendra Mehta</b> Audit Committee Chairman</p> <p><b>FOR CHIRAG R. SHAH &amp; ASSOCIATES</b> [Firm Registration No. 118791W] Chartered Accountants <b>CHIRAG R. SHAH</b> Proprietor Mem. No. 106139</p> <p>Place : Ahmedabad Date: 14/06/2021</p>	