



MANPASAND
BEVERAGES LTD.

July 31, 2020

To,
Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Tower,
Dalal Street, Mumbai- 400 001.
Security Code:- **539207**
ISIN:- **INE122R01018**

To,
The Listing Department,
National Stock Exchange of India Limited
5th Floor, "Exchange Plaza", Bandra-Kurla
Complex," Bandra (East), Mumbai-400 051.
Security ID:- **MANPASAND**
ISIN:- **INE122R01018**

Dear Sir/Madam,

Sub:- Outcome of Board Meeting dated 31.07.2020.

Reference to the subject mentioned above and in continuation to our previous letter dated July 28, 2020, this is to inform you that the Meeting of Board of Directors of the Company commenced at 08.00 P.M and concluded at 08.30 P.M, today and has inter alia considered the following business:

- Approved the Audited Financial Results (Standalone and Consolidated) for the quarter and year ended on 31st March, 2020, the Statement of Assets and Liabilities as at 31st March, 2020. The Copy of said Audited Financial Results along with audit report is attached.

Further, we would like to state that M/s. Bagaria & Co., Chartered Accountants, Statutory Auditors' of the Company have provided Audit's Report with unmodified opinion on Audited Financial Results (Standalone and Consolidated) for the quarter and year ended on 31st March, 2020.

You are requested to kindly take note of the same.

For Manpasand Beverages Limited

Dhirendra Singh
Managing Director
DIN - 00626056



Encl:

Audited Financial Result along with audit Report.

MANPASAND BEVERAGES LIMITED

| STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020 | | | | |
|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|-----------------|-----------------|------------------|
| [Rs. in Lakhs] | | | | |
| Sr. No. | Particulars | Quarter Ended | | Year Ended |
| | | 31.03.2020 | 31.12.2019 | 31.03.2020 |
| | | (Audited) | (Unaudited) | (Audited) |
| 1 | Revenue | | | |
| | (a) Revenue from Operations | 626.81 | 22.89 | 4,082.92 |
| | (b) Other Income | 219.71 | 2.39 | 248.31 |
| | Total Revenue | 846.52 | 25.28 | 4,331.23 |
| 2 | Expenses | | | |
| | a) Cost of materials consumed | 433.42 | 15.51 | 2,572.59 |
| | b) Purchase of stock-in-trade | - | - | - |
| | c) Change in inventories of finished goods and stock-in-trade | 46.74 | (4.15) | 965.73 |
| | d) Employee benefits expense | 90.21 | 158.68 | 1,275.45 |
| | e) Finance Costs | 7.72 | 6.86 | 192.87 |
| | f) Depreciation and amortisation expense | 2,127.07 | 2,158.49 | 8,580.98 |
| | g) Other expenses | 1,037.00 | 294.21 | 2,961.38 |
| | Total Expenses (a to g) | 3,742.16 | 2,629.60 | 16,549.00 |
| 3 | Profit before Exceptional Items and tax (1 - 2) | (2,895.64) | (2,604.32) | (12,217.77) |
| 4 | Exceptional Items | 6,668.31 | - | 6,668.31 |
| 5 | Profit before Tax (3-4) | (9,563.95) | (2,604.32) | (18,886.08) |
| 6 | Tax Expenses / (benefits) | 159.96 | - | 159.96 |
| | Current Tax | 0.01 | - | 0.01 |
| | MAT credit entitlement | - | - | - |
| | (Excess)/Short provision of tax relating to prior years | 159.95 | - | 159.95 |
| | Deferred Tax | - | - | - |
| 7 | Net Profit form Ordinary Activities after Tax (5 - 6) | (9,723.91) | (2,604.32) | (19,046.05) |
| 8 | Other Comprehensive Income (After Tax) | 35.49 | - | 38.96 |
| | a) Items that will not be reclassified to profit or loss | 55.81 | - | 61.14 |
| | b) Income tax effect on above | (20.32) | - | (22.18) |
| | c) Items that will be reclassified to profit or loss | - | - | - |
| | d) Income tax effect on above | - | - | - |
| 9 | Total Comprehensive income (7+8) | (9,688.42) | (2,604.32) | (19,007.09) |
| 10 | Paid-up equity share capital (Face Value per share Rs.10/-) | 11,446.24 | 11,446.24 | 11,446.24 |
| 11 | Earning Per Share : (of Rs.10/-each) (For the period - not annualised) | | | |
| | a) Basic | (8.50) | (2.28) | (16.64) |
| | b) Diluted | (8.50) | (2.28) | (16.64) |

Place : Vadodara
Date: July 31, 2020



For and on behalf of Board of Directors

D. S. A.
Dhirendra H Singh
Chairman & Managing Director
DIN - 00626056

Manpasand Beverages Limited

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

[Rs. in Lakhs]

| Sr. No. | Particulars | Quarter Ended | | | Year Ended | |
|---------|---------------------------------------------------------------------------------|-------------------|-------------------|--------------------|--------------------|--------------------|
| | | 31-Mar-20 | 31-Dec-19 | 31-Mar-19 | 31-Mar-20 | 31-Mar-19 |
| | | (Audited)* | (Unaudited) | (Audited)* | (Audited) | (Audited) |
| 1 | Income | | | | | |
| | (a) Revenue from Operations | 626.81 | 22.89 | 14,016.99 | 4,082.92 | 63,607.84 |
| | (b) Other Income | 219.71 | 2.39 | 197.13 | 248.31 | 1,345.17 |
| | Total Income | 846.52 | 25.28 | 14,214.12 | 4,331.23 | 64,953.01 |
| 2 | Expenses | | | | | |
| | a) Cost of materials consumed | 433.42 | 15.51 | 9,919.96 | 2,572.59 | 51,480.65 |
| | b) Purchase of stock-in-trade | - | - | (77.11) | - | 736.12 |
| | c) Change in inventories of finished goods, work-in-progress and stock-in-trade | 46.74 | (4.15) | 3,785.88 | 965.73 | 3,461.78 |
| | d) Employee benefits expense | 90.21 | 158.68 | 680.56 | 1,275.45 | 2,804.83 |
| | e) Finance costs | 7.72 | 6.85 | 537.56 | 192.86 | 1,288.08 |
| | f) Depreciation and amortisation expense | 2,127.07 | 2,158.49 | 2,538.70 | 8,580.98 | 10,142.41 |
| | g) Other expenses | 1,036.66 | 294.07 | 4,990.42 | 2,958.88 | 15,709.84 |
| | Total Expenses (a to g) | 3,741.82 | 2,629.45 | 22,375.97 | 16,546.49 | 85,623.71 |
| 3 | Profit before Exceptional Items and tax (1 - 2) | (2,895.30) | (2,604.17) | (8,161.85) | (12,215.26) | (20,670.70) |
| 4 | Exceptional Items | 6,668.31 | - | 57,333.18 | 6,668.31 | 38,687.64 |
| 5 | Profit before Tax (3-4) | (9,563.61) | (2,604.17) | (65,495.03) | (18,883.57) | (59,358.34) |
| 6 | Tax Expenses / (benefits) | 159.96 | - | (844.49) | 159.96 | (171.42) |
| | Current Tax | 0.01 | - | (1,320.00) | 0.01 | - |
| | MAT credit entitlement | - | - | 440.00 | - | - |
| | Deferred Tax / (benefit) | - | - | - | - | (206.93) |
| | (Excess)/Short provision of tax relating to prior years | 159.95 | - | 35.51 | 159.95 | 35.51 |
| 7 | Net Profit from Ordinary Activities after Tax (5 - 6) | (9,723.57) | (2,604.17) | (64,650.54) | (19,043.53) | (59,186.92) |
| 8 | Other Comprehensive Income (After Tax) | 35.49 | - | 15.06 | 38.96 | 13.87 |
| | a) Items that will not be reclassified to profit or loss | 55.81 | - | 23.02 | 61.14 | 21.32 |
| | b) Income tax effect on above | (20.32) | - | (7.96) | (22.18) | (7.45) |
| | c) Items that will be reclassified to profit or loss | - | - | - | - | - |
| | d) Income tax effect on above | - | - | - | - | - |
| 9 | Total Comprehensive income (7+8) | (9,688.08) | (2,604.17) | (64,635.48) | (19,004.57) | (59,173.05) |
| 10 | Paid-up equity share capital (Face Value per share Rs.10/-) | 11,446.24 | 11,446.24 | 11,446.24 | 11,446.24 | 11,446.24 |
| 11 | Earning Per Share: (of Rs.10/-each) (For the period - not annualised) | | | | | |
| | a) Basic | (8.49) | (2.28) | (56.48) | (16.64) | (51.71) |
| | b) Diluted | (8.49) | (2.28) | (56.48) | (16.64) | (51.71) |

* Refer Note no. 4 of Notes to Result

Place: Vadodara
Date: July 31, 2020



For and on behalf of Board of Directors

D.S.

Dhirendra Singh
Chairman & Managing Director
DIN 00626256

Manpasand Beverages Limited
Standalone and Consolidated Statement of Assets and Liabilities as at March 31, 2020.

| PARTICULARS | (0.00) | | (Rs. in Lakhs) |
|----------------------------------------------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | STANDALONE | | CONSOLIDATED |
| | As at 31-Mar-20 (Audited) | As at 31-Mar-19 (Audited) | As at 31-Mar-20 (Audited) |
| ASSETS | | | |
| Non-current assets | | | |
| (a) Property, plant and equipment | 50,030.86 | 59,089.74 | 50,030.86 |
| (b) Capital work-in-progress | 624.89 | 1,637.74 | 624.89 |
| (c) Intangible assets | 4.51 | 7.94 | 4.51 |
| (d) Intangible assets under development | 87.18 | 80.58 | 87.18 |
| (e) Financial assets | | | |
| (i) Investment | 1.00 | - | - |
| (ii) Other financial assets | 249.62 | 2,231.71 | 249.62 |
| (f) Income tax assets (net) | 1,510.41 | 1,507.33 | 1,510.41 |
| (g) Deferred tax assets (net) | 3,001.91 | 3,184.04 | 3,001.91 |
| (h) Other non-current assets | 1,758.67 | 1,804.25 | 1,758.67 |
| Total Non-current assets | 57,269.05 | 69,543.33 | 57,268.05 |
| Current assets | | | |
| (a) Inventories | 917.83 | 2,850.04 | 917.83 |
| (b) Financial assets | | | |
| (i) Investments | - | - | - |
| (ii) Trade receivables | 240.41 | 5,736.99 | 240.41 |
| (iii) Cash and cash equivalents | 23.79 | 37.37 | 23.88 |
| (iv) Bank balances other than (iii) above | 1.46 | 1.46 | 1.46 |
| (v) Loans | 10.43 | 5.59 | 10.43 |
| (vi) Other financial assets | 216.16 | 8,851.84 | 216.24 |
| (c) Other current assets | 3,826.34 | 3,465.91 | 3,825.00 |
| Total current assets | 5,236.42 | 20,949.20 | 5,235.25 |
| Total Assets | 62,505.47 | 90,492.53 | 62,503.30 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share capital | 11,446.24 | 11,446.24 | 11,446.24 |
| (b) Other equity | 34,339.22 | 53,343.82 | 34,336.71 |
| Total Equity | 45,785.46 | 64,790.06 | 45,782.95 |
| Liabilities | | | |
| Non-current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 2,894.08 | 31.80 | 2,894.08 |
| (b) Provisions | 17.56 | 35.91 | 17.56 |
| Total non-current liabilities | 2,911.64 | 67.71 | 2,911.64 |
| Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | (0.05) | 10,298.02 | (0.05) |
| (ii) Trade payables | | | |
| Total Outstanding Dues of Micro and small enterprises | - | - | - |
| Total Outstanding Dues of Creditors other than Micro and small enterprises | 7,541.40 | 7,883.68 | 7,541.74 |
| (iii) Other financial liabilities | 779.57 | 677.67 | 779.57 |
| (b) Provisions | 1.59 | 5.73 | 1.59 |
| (c) Current Tax Liabilities (net) | - | - | - |
| (d) Other current liabilities | 5,485.86 | 6,769.66 | 5,485.86 |
| Total current liabilities | 13,808.37 | 25,634.76 | 13,808.71 |
| Total Liabilities | 16,720.01 | 25,702.47 | 16,720.35 |
| Total Equity and Liabilities | 62,505.47 | 90,492.53 | 62,503.30 |

See accompanying notes forming part of the statement

For and on behalf of Board of Directors

 Place : Vadodara
Date: July 31, 2020

 Dhirendra H Singh
Chairman & Managing Director
DIN - 00626056


Mangasand Beverages Limited

Statement of Standalone and Consolidated cash flows for the year ended on 31st March, 2020

[Rs. in Lakhs]

| PARTICULARS | STANDALONE | | CONSOLIDATED |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|
| | For the Year Ended on | For the Year Ended on | For the Year Ended on |
| | 31-Mar-20 (Audited) | 31-Mar-19 (Audited) | 31-Mar-20 (Audited) |
| (A) Cash Flows From Operating Activities | | | |
| Net Profit before Tax | (12,215.26) | (20,670.70) | (12,217.76) |
| Adjustments for: | | | |
| Depreciation and amortisation expense | 8,580.98 | 10,142.41 | 8,580.98 |
| Amortisation expense on leasehold land | 21.36 | 21.36 | 21.36 |
| Finance costs | 192.86 | 1,288.08 | 192.86 |
| Interest income | (33.05) | (1,131.16) | (33.05) |
| Net (gain)/ loss on financial liabilities designated as at fair value through profit | | (106.70) | - |
| Operating Profit before working capital changes | (3,453.11) | (10,456.71) | (3,455.61) |
| Movements in working capital: | | | |
| (Increase) in Trade receivables and other financial and non financial assets | 5,005.64 | 7,477.71 | 5,006.97 |
| Decrease/ (increase) in Inventories | 1,932.21 | 6,720.08 | 1,932.21 |
| Increase in Trade Payables, provisions and other financial and non financial | (1,609.64) | 7,389.66 | (1,609.30) |
| Cash Generated From Operations | 1,875.10 | 11,130.74 | 1,874.27 |
| Income taxes paid | 19.09 | (2,129.00) | 19.09 |
| Net cash (used)/ generated by operating activities before exceptional items | 1,894.19 | 9,001.74 | 1,893.36 |
| Add/(Less) : Exceptional Item | (6,668.31) | (38,687.64) | (6,668.31) |
| Net cash (used)/ generated by operating activities after exceptional items | (4,774.12) | (29,685.90) | (4,774.95) |
| (B) Cash Flows From Investing Activities | | | |
| Payments for property, plant and equipment | 1,617.53 | 15,771.00 | 1,617.53 |
| Payments for intangible assets | (6.59) | (80.58) | (6.59) |
| Purchase of investments | (1.00) | 4,176.65 | - |
| Interest Received | 157.80 | 1,199.64 | 157.80 |
| Bank deposits including Margin Money deposits | 10,618.69 | 9,749.48 | 10,618.61 |
| Net cash (used in) investing activities | 12,386.43 | 30,816.19 | 12,387.35 |
| (C) Cash Flows From Financing Activities | | | |
| Proceeds / (Repayment) of long term borrowings | 2,862.28 | (14.58) | 2,862.28 |
| Proceeds / (Repayment) of short term borrowings | (10,295.31) | 805.80 | (10,295.31) |
| Interest Paid | (192.86) | (1,288.09) | (192.86) |
| Dividend paid on equity share | | (572.36) | - |
| Tax paid on dividend declared | | (117.62) | - |
| Net Cash from financing activities | (7,625.89) | (1,186.85) | (7,625.89) |
| Net (decrease)/increase in Cash & Cash Equivalents | (13.58) | (56.56) | (13.49) |
| Cash & Cash Equivalents at the beginning of the year | 37.37 | 93.92 | 37.37 |
| Cash & Cash Equivalents at the end of the year (Refer note 10) | 23.79 | 37.37 | 23.88 |
| Notes: | | | |
| (a) The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows | | | |
| (b) Cash & Cash Equivalents comprises of | | | |
| Cash on hand | 16.92 | 0.60 | 16.92 |
| Balances with banks | | | |
| In current accounts | 6.87 | 36.77 | 6.96 |
| Cash & Cash Equivalents in Cash Flow Statement | 23.79 | 37.37 | 23.88 |

For and on behalf of Board of Directors

Dhirendra H Singh
Chairman & Managing Director
DIN - 00626056

Place : Vadodara
Date: July 31, 2020


Notes:

1. The above audited Financial Results have been reviewed by the Audit Committee on July 31, 2020 and approved by the Board of Directors at their meeting held on July 31, 2020.
2. The Company is in the business of "Fruit Drinks" and hence has only one reportable segment as per Ind AS 108 "Operating Segments".
3. This result has been prepared in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015.
4. The figures for the quarter ended 31.03.2020 and 31.03.2019 represent the balance between audited figures in respect of the full financial years and those published till the third quarter of the respective financial years.
5. Effective from 01st April, 2019, the Company has adopted IND AS 116 "Leases", however there is no impact in financial results for the quarter ended 31st March 2020 and for the period 1st April, 2019 to 31st March, 2020.
6. The Company has faced certain critical events / aggressive competition and foul plays from some competitors / market forces in the last quarter of the previous financial year and in current year resulting into disturbed operations, distribution, collections and operational losses during the current year owing to events explained hereunder below:
 - a. The Company in its efforts to consolidate its huge dealer – retailer network moved to a chain of large channel partners who would in turn manage and operate the dealer – retailer network which is a successful model in the industry and in other countries. However the implementation of this model was disrupted by the negative market forces and aggressive competition in the market and claims from the Channel Partner towards damages / expired life which was a result of their inability to timely distribute the products of the Company to the retail chain and maintain the presence of Company products.
 - b. The Company faced search and seizure proceedings from Central Goods and Service Tax (CGST) Commissionerate, Vadodara and pursuant to that, the top officials of the Company were sent to judicial custody without giving the Company any opportunity of fair adjudication process which severely disrupted the operations of the Company. This event, coupled with the aggressive competition and foul plays from negative market forces, disturbed entire operations and distribution network of the Company. The Company's top officials were kept under judicial custody even after their full co-operation during the entire search and investigation proceedings and even after deposit of the entire amount of Rs. 1,777.62 lakhs claimed by the CGST authorities. This payment has been made by the Company under protest to secure bail from judicial custody of its officials. The said payment has been made entirely out of the unsecured loan of Rs. 2,074.16 lakhs introduced by the Promoter(s) into the Company. It is denied that the company or its directors had ever falsely claimed such excess input tax credit as alleged or for reasons alleged and the matter regarding the claim of input tax credit by the Company, is sub-judice. Till date, the department has not issued any Demand Notice or Show Cause Notice or any other document of such nature towards the Company.
 - c. Between June 2019 to September 2019, the Company also faced an illegal hostile takeover attempt from a NBFC named Finquest Financial Solutions Private Limited ("FFSPL"), who agreed to infuse



Rs.100 Crores into the Company during the period when top officials were in judicial custody and the Company was facing liquidity crunch due to disruption of operations. FFSPL unlawfully took over the board of the Company and created mortgages on three Units of Company (two at Vadodara and one at Ambala) and promoter shareholding without fulfilling the lending arrangement under the contract entered with the Company. Against the promised loan of Rs. 100 crores, FFSPL disbursed only Rs. 11.15 crores till date. In September 2019, FFSPL tried to acquire shares of the Company held by Mr. Dharendra Singh (CMD) through exercise of some Call letter and also transfer of pledged shares. These intentions of FFSPL hinted towards an attempt to illegal hostile takeover of the Company by committing fraud and deceiving its stakeholders. The said attempt of FFSPL to acquire the Promoter shareholding has been stayed by National Company Law Tribunal ("NCLT"), Ahmedabad Bench as stipulated therein vide its order dated 13th September 2019. Also, an FIR has been lodged dated 27th September 2019 against the officials of the FFSPL (accused) and the authorities are investigating the matter. One of the accused was arrested by the Investigating agency in March 2020 and was kept under judicial custody for almost four months. An FIR has also been filed with the Economic Offences Wing (Mumbai Branch) on 12th December 2019 against the officials of FFSPL. In the opinion of the Management, no interest is payable in relation to the outstanding loan amount of FFSPL in view of violation of terms and conditions of term sheet and / or loan agreement. Accordingly, no provision has been made towards interest on such loan amount till the matter is decided.

- d. Due to above events the production and distribution were drastically disturbed, in the period post May 2019. The Company faced a higher attrition of talented, experienced and trusted employees during these challenging times. Accordingly, the management anticipates certain challenges to resume its normal scale of operations and feels that the existing capacity is sufficient to achieve its normal scale of operations with moderate growth.
7. The provisional allotment of Lease hold Land by Odisha Industrial Infrastructure Development Corporation (IDCO) at Khurdha, Odisha has been cancelled vide their order dated 07.09.2019 and refund of Rs.197.98 lakhs was received from the IDCO authorities dated 16.12.2019 as against the carrying amount, net of provision for expected credit losses, of Rs.200 lakhs.
8. The Company has also been constructing a new plant at Sricity(Chittoor) in Andhra Pradesh (referred as "Sricity Project"). However due to the disruptions during FY 2018-19 and FY 2019-20, the project was stalled for more than a year. The Company expects to recover 40% of the Carrying value of the Capital Work in Progress at its Sricity project. The Company has accordingly made an impairment provision of Rs. 1200 lakhs in relation to such Capital Work in Progress.
9. In March 2020, the WHO declared the COVID-19 outbreak as a pandemic which continues to spread across the country. On 25th March, 2020, the Government of India has declared this pandemic a health emergency, ordered temporary closure of all non-essential businesses, imposed restrictions on movement of goods/material, travel, etc. As the nature of business performed by the Company fell under non-essential category, these restrictions had substantially impacted its operations at plants. The Company has since, after receiving applicable permissions, partially commenced operations including dispatch of goods to its customers at some of its manufacturing facilities and has been scaling up the same gradually. The Management believes that it has considered all possible impacts of COVID-19 and other disrupting events as highlighted in note no 6 above on the carrying amounts of Property, Plant and Equipment, Inventories, Trade Receivable and Other Current Assets. To assess the recoverability, the Company has considered internal and external sources of information / indicators up to the date of approval of these financial results. Based on current indicators of future economic conditions, the Company expects to recover the net carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these



standalone and consolidated financial results. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.

10. The Company has evaluated and provided for expected credit losses of Rs.4968.31 lakhs against Trade Receivables amounting to Rs.5208.72 lakhs and written off 6526.92 Lakhs against the expected credit losses of Rs. 117,65.30 Lakhs provided during previous financial year in view of the events explained above and estimated time period required to resume operations and re-establish the disturbed distribution chain at desired level across the country after considering the potential impact on account of COVID-19. The Company is exploring all remedies required to recover these amounts.
11. The remuneration paid to Mr. Dharendra Singh (Chairman and Managing Director) and Mr. Abhishek Singh (Whole Time Director) for the period 1st January 2020 to 31st March 2020 is subject to shareholder approval in the general meeting.
12. As highlighted in point 5.b above, GST searches and investigations were conducted at 3 units of the Company, as a result certain records and documents were seized by the authorities viz, Sales and Purchase Invoices with their appropriate supportings, Inward & Outward Registers, Hard Disks etc. This coupled with the attrition of employees as explained in point 6.d above has weakened certain established internal controls and record keeping. The Company is trying to establish all the pre-existing controls and trying to retrieve copy of documents and records seized. Many of the old employees have joined back the Company and the Company is in process to strengthen all its internal controls and complete any pending compliances as soon as possible.
13. The accounts of certain Loans & Advances given, Trade Receivables, Other Current Assets, Trade Payables, Other liabilities and inter party adjustments/settlements as per the acceptable trade practices are subject to pending confirmations, reconciliations and adjustments. The Management do not feel any material adjustments in this regard.
14. The Consolidated results includes - Manpasand Products Private Limited which was incorporated on 20th March 2019 as wholly-owned subsidiary company of Manpasand Beverages Limited. Accordingly, comparative consolidated results for corresponding period is not applicable.
15. The previous period's figures have been re-grouped/ re-classified wherever required to conform to current period's classification. All figures of financials has been rounded off to nearest Lakhs rupees.

You are requested to kindly take note of the same.

For Manpasand Beverages Limited



Dhirendra Singh
Chairman Managing Director
DIN:00626056



Independent Auditor's Report

To the Board of Directors of
Manpasand Beverages Limited

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone financial results of **Manpasand Beverages Limited** ('the Company') for the quarter and year ended March 31, 2020 (the "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 standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 and year ended 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone 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 audit opinion.

Emphasis of matter:

We draw attention to the following matters:

- a. As explained in Note 6.b to the Statement, the Company faced search and seizure proceedings from Central Goods and Service Tax (CGST) Commissionerate, Vadodara and pursuant to that, the top officials of the Company were sent to judicial custody without giving the Company any opportunity of fair adjudication process which severely disrupted the operations of the Company. This event, coupled with the aggressive competition and foul plays from negative market forces, disturbed entire operations and distribution network of the Company. The Company's top officials were kept under judicial custody even after their full co-operation during the entire search and investigation proceedings and even after deposit of the entire amount of Rs. 1,777.62 lakhs claimed by the CGST authorities. This payment has been made by the Company under protest to secure bail from judicial custody of its officials. The said payment has been made entirely out of the unsecured loan of Rs.



2,074.16 lakhs introduced by the Promoter(s) into the Company. It is denied that the company or its directors had ever falsely claimed such excess input tax credit as alleged or for reasons alleged and the matter regarding the claim of input tax credit by the Company, is sub-judice. Till date, the department has not issued any Demand Notice or Show Cause Notice or any other document of such nature towards the Company.

- b. As explained in Note No. 6.c to the Statement, the Company also faced an illegal hostile takeover attempt from a NBFC named Finquest Financial Solutions Private Limited ("FFSPL"), who agreed to infuse Rs.100 Crores into the Company during the period when top officials were in judicial custody and the Company was facing liquidity crunch due to disruption of operations. FFSPL unlawfully took over the board of the Company and created mortgages on three Units of Company (two at Vadodara and one at Ambala) and promoter shareholding without fulfilling the lending arrangement under the contract entered with the Company. Against the promised loan of Rs. 100 crores, FFSPL disbursed only Rs. 11.15 crores till date. In September 2019, FFSPL tried to acquire shares of the Company held by Mr. Dharendra Singh (CMD) through exercise of some Call letter and also transfer of pledged shares. These intentions of FFSPL hinted towards an attempt to illegal hostile takeover of the Company by committing fraud and deceiving its stakeholders. The said attempt of FFSPL to acquire the Promoter shareholding has been stayed by National Company Law Tribunal ("NCLT"), Ahmedabad Bench as stipulated therein vide its order dated 13th September 2019. Also, an FIR has been lodged dated 27th September 2019 against the officials of the FFSPL (accused) and the authorities are investigating the matter. One of the accused was arrested by the Investigating agency in March 2020 and was kept under judicial custody for almost four months. An FIR has also been filed with the Economic Offences Wing (Mumbai Branch) on 12th December 2019 against the officials of FFSPL. In the opinion of the Management, no interest is payable in relation to the outstanding loan amount of FFSPL in view of violation of terms and conditions of term sheet and / or loan agreement. Accordingly, no provision has been made towards interest on such loan amount till the matter is decided.
- c. As explained in Note No. 7 to the Statement, the provisional allotment of Lease hold Land by Odisha Industrial Infrastructure Development Corporation (IDCO) at Khurdha, Odisha has been cancelled vide their order dated 07.09.2019 and refund of Rs.197.98 lakhs was received from the IDCO authorities dated 16.12.2019 as against the carrying amount, net of provision for expected credit losses, of Rs.200 lakhs.
- d. As explained in Note 8 to the Statement, the Company has also been constructing a new plant at Sricity in Andhra Pradesh (referred as "Sricity Project"). However due to the disruptions during FY 2018-19 and FY 2019-20, the project was stalled for more than a year. The Company expects to recover 40% of the Carrying value of the Capital Work in Progress at its Sricity project. The Company has accordingly made an impairment provision of Rs. 1200 lakhs in relation to such Capital Work in Progress.
- e. As explained in Note 9 to the Statement, the Management believes that it has considered all possible impacts of COVID-19 and other disrupting events as highlighted in note no 6 above on the carrying amounts of Property, Plant and Equipment, Inventories, Trade Receivable and Other Current Assets. To assess the recoverability, the Company has considered internal and external sources of information / indicators up to the date of approval of these financial results. Based on current indicators of future economic conditions, the Company expects to recover the net carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone and consolidated financial results. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.



- f. As explained in Note 10 to the Statement, the Company has evaluated and provided for expected credit losses of Rs.4968.31 lakhs against Trade Receivables amounting to Rs.5208.72 lakhs and written off 6526.92 Lakhs against the expected credit losses of Rs. 117,65.30 Lakhs provided during previous financial year in view of the events explained above and estimated time period required to resume operations and re-establish the disturbed distribution chain at desired level across the country after considering the potential impact on account of COVID-19. The Company is exploring all remedies required to recover these amounts.
- g. As explained in Note 11 to the Statement, the remuneration paid to Mr. Dharendra Singh (Chairman and Managing Director) and Mr. Abhishek Singh (Whole Time Director) for the period 1st January 2020 to 31st March 2020 is subject to shareholder approval in the general meeting.
- h. As explained in Note 12 to the Statement, GST searches and investigations were conducted at 3 units of the Company, as a result certain records and documents were seized by the authorities viz, Sales and Purchase Invoices with their appropriate supportings, Inward & Outward Registers, Hard Disks etc. This coupled with the attrition of employees as explained in point 6.d of the Notes to the Statement has weakened certain established internal controls and record keeping. The Company is trying to establish all the pre-existing controls and trying to retrieve copy of documents and records seized. Many of the old employees have joined back the Company and the Company is in process to strengthen all its internal controls and complete any pending compliances as soon as possible.
- i. As explained in Note 13 to the Statement, the accounts of certain Loans & Advances given, Trade Receivables, Other Current Assets, Trade Payables, Other liabilities and inter party adjustments/settlements as per the acceptable trade practices are subject to pending confirmations, reconciliations and adjustments. The Management do not feel any material adjustments in this regard.

Our report is not modified in respect of the above matters.

Board of Director's Responsibilities for the Standalone Financial Results

These standalone quarterly financial results as well as year to date financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation of these standalone 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone 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 standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.



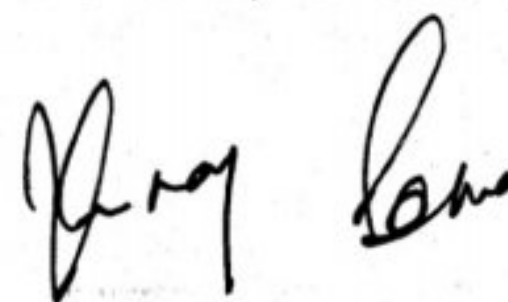
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter:

- (i) On account of the COVID-19 related lockdown restrictions, Management was not able to perform the year end physical verification of inventories aggregating to Rs. 917.83 lakhs as on March 31, 2020. Consequently, we have performed alternative audit procedures to audit existence of inventory as per the guidance provided in SA 501 "Audit Evidence – Specific Consideration to Selected items" which includes cyclical counts performed by the management during the year, roll forward procedures and their supporting documents relating to purchases, productions and sales and have obtained sufficient audit evidence to issue our unmodified opinion on these standalone financial results.
- (ii) The Standalone Financial Results include the results for the quarter ended March 31, 2020 and corresponding quarter ended of the previous year being the balancing figure between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the current and previous financial year.

Our opinion is not modified in respect of these matters.

For **Bagaria and Co. LLP**
Chartered Accountants
Firm Registration No.:
113447W/W-100019





Vinay Somani
Partner

Membership No. 143503
UDIN: 20143503AAAAIQ2915

Place: Mumbai
Date: July 31, 2020

Independent Auditor's Report

To the Board of Directors of
Manpasand Beverages Limited (Holding Company)

Report on the Audit of the Consolidated Financial Results

Opinion

We have audited the accompanying consolidated financial results of **Manpasand Beverages Limited (hereinafter referred to as the "Holding Company")** and its wholly owned subsidiary (the Holding Company and its subsidiary together referred to as "the Group") for the quarter and year ended March 31, 2020 (the "Statement"), attached herewith, being submitted by the Holding 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, and based on the consideration of the reports of the other auditor on separate audited financial statements/financial results/ financial information of the subsidiary, the aforesaid consolidated financial results:

- include the annual financial results of the Manpasand Products Private Limited (wholly owned subsidiary);
- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard and
- give a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information of the Group for the quarter and year ended 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 Consolidated Financial Results* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements 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 obtained by us and other auditors in terms of their report referred to in "Other Matter" paragraph below is sufficient and appropriate to provide a basis for our audit opinion.


Emphasis of Matter

We draw attention to the following matters:

- As explained in Note 6.b to the Statement, the Holding Company faced search and seizure proceedings from Central Goods and Service Tax (CGST) Commissionerate, Vadodara and pursuant to that, the top officials of the Holding Company were sent to judicial custody without giving the Holding Company any opportunity of fair adjudication process which severely disrupted the operations of the Holding Company. This event, coupled with the aggressive competition and foul plays from negative



market forces, disturbed entire operations and distribution network of the Holding Company. The Holding Company's top officials were kept under judicial custody even after their full co-operation during the entire search and investigation proceedings and even after deposit of the entire amount of Rs. 1,777.62 lakhs claimed by the CGST authorities. This payment has been made by the Holding Company under protest to secure bail from judicial custody of its officials. The said payment has been made entirely out of the unsecured loan of Rs. 2,074.16 lakhs introduced by the Promoter(s) into the Holding Company. It is denied that the Holding Company or its directors had ever falsely claimed such excess input tax credit as alleged or for reasons alleged and the matter regarding the claim of input tax credit by the Holding Company, is sub-judice. Till date, the department has not issued any Demand Notice or Show Cause Notice or any other document of such nature towards the Holding Company.

- b. As explained in Note No. 6.c to the Statement, the Holding Company also faced an illegal hostile takeover attempt from a NBFC named Finquest Financial Solutions Private Limited ("FFSPL"), who agreed to infuse Rs.100 Crores into the Holding Company during the period when top officials were in judicial custody and the Holding Company was facing liquidity crunch due to disruption of operations. FFSPL unlawfully took over the board of the Holding Company and created mortgages on three Units of Holding Company (two at Vadodara and one at Ambala) and promoter shareholding without fulfilling the lending arrangement under the contract entered with the Holding Company. Against the promised loan of Rs. 100 crores, FFSPL disbursed only Rs. 11.15 crores till date. In September 2019, FFSPL tried to acquire shares of the Holding Company held by Mr. Dharendra Singh (CMD) through exercise of some Call letter and also transfer of pledged shares. These intentions of FFSPL hinted towards an attempt to illegal hostile takeover of the Holding Company by committing fraud and deceiving its stakeholders. The said attempt of FFSPL to acquire the Promoter shareholding has been stayed by National Company Law Tribunal ("NCLT"), Ahmedabad Bench as stipulated therein vide its order dated 13th September 2019. Also, an FIR has been lodged dated 27th September 2019 against the officials of the FFSPL (accused) and the authorities are investigating the matter. One of the accused was arrested by the Investigating agency in March 2020 and was kept under judicial custody for almost four months. An FIR has also been filed with the Economic Offences Wing (Mumbai Branch) on 12th December 2019 against the officials of FFSPL. In the opinion of the Management of the Holding Company, no interest is payable in relation to the outstanding loan amount of FFSPL in view of violation of terms and conditions of term sheet and / or loan agreement. Accordingly, no provision has been made towards interest on such loan amount till the matter is decided.
- c. As explained in Note No. 7 to the Statement, the provisional allotment of Lease hold Land by Odisha Industrial Infrastructure Development Corporation (IDCO) at Khurdha, Odisha has been cancelled vide their order dated 07.09.2019 and refund of Rs.197.98 lakhs was received from the IDCO authorities dated 16.12.2019 as against the carrying amount, net of provision for expected credit losses, of Rs.200 lakhs.
- d. As explained in Note 8 to the Statement, the Holding Company has also been constructing a new plant at Sricity in Andhra Pradesh (referred as "Sricity Project"). However due to the disruptions during FY 2018-19 and FY 2019-20, the project was stalled for more than a year. The Holding Company expects to recover 40% of the Carrying value of the Capital Work in Progress at its Sricity project. The Holding Company has accordingly made an impairment provision of Rs. 1200 lakhs in relation to such Capital Work in Progress.
- e. As explained in Note 9 to the Statement, the Management of the Holding Company believes that it has considered all possible impacts of COVID-19 and other disrupting events as highlighted in note no 6 above on the carrying amounts of Property, Plant and Equipment, Inventories, Trade Receivable and Other Current Assets. To assess the recoverability, the Holding Company has considered internal and external sources of information /  the date of approval of these financial results.



Based on current indicators of future economic conditions, the Holding Company expects to recover the net carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone and consolidated financial results. Considering the continuing uncertainties, the Holding Company will continue to closely monitor any material changes to future economic conditions.

- f. As explained in Note 10 to the Statement, the Holding Company has evaluated and provided for expected credit losses of Rs.4968.31 lakhs against Trade Receivables amounting to Rs.5208.72 lakhs and written off 6526.92 Lakhs against the expected credit losses of Rs. 117,65.30 Lakhs provided during previous financial year in view of the events explained above and estimated time period required to resume operations and re-establish the disturbed distribution chain at desired level across the country after considering the potential impact on account of COVID-19. The Holding Company is exploring all remedies required to recover these amounts.
- g. As explained in Note 11 to the Statement, the remuneration paid to Mr. Dharendra Singh (Chairman and Managing Director) and Mr. Abhishek Singh (Whole Time Director) for the period 1st January 2020 to 31st March 2020 is subject to shareholder approval in the general meeting.
- h. As explained in Note 12 to the Statement, GST searches and investigations were conducted at 3 units of the Holding Company, as a result certain records and documents were seized by the authorities viz, Sales and Purchase Invoices with their appropriate supportings, Inward & Outward Registers, Hard Disks etc. This coupled with the attrition of employees as explained in point 6.d of the Notes to the Statement has weakened certain established internal controls and record keeping. The Holding Company is trying to establish all the pre-existing controls and trying to retrieve copy of documents and records seized. Many of the old employees have joined back the Holding Company and the Holding Company is in process to strengthen all its internal controls and complete any pending compliances as soon as possible.
- i. As explained in Note 13 to the Statement, the accounts of certain Loans & Advances given, Trade Receivables, Other Current Assets, Trade Payables, Other liabilities and inter party adjustments/settlements as per the acceptable trade practices are subject to pending confirmations, reconciliations and adjustments. The Management of the Holding Company do not feel any material adjustments in this regard.

Our opinion is not modified in respect of the above matters.

Board of Directors' Responsibilities for the Consolidated Financial Results

These consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net loss and other comprehensive income and other financial information of the Group in accordance with the Indian 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. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.



Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 controls with reference to financial statements in place and the operating effectiveness of such controls.
- 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within in the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the Independent auditors 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.

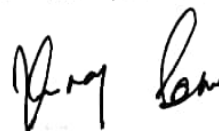
We are not required to perform procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations as amended, to the extent applicable.

Other Matters:

- (i) The consolidated Financial Results include the audited financial results of a subsidiary, whose financial statements reflect total assets of Rs. 0.17 lakhs as at 31 March, 2020, total revenues of Rs. NIL and Rs. Nil and net profit after other comprehensive income of Rs. (0.34) lakhs and Rs. (2.51) lakhs respectively for the quarter and year ended March 31, 2020 respectively, as considered in the consolidated financial results which have been audited by respective independent auditor. The Independent auditors' reports on financial statements/financial results/financial information of the Subsidiary have been furnished to us, and our opinion on the consolidated financial results, 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 such other auditor and the procedures performed by us are as stated in paragraph above.
- (ii) On account of the COVID-19 related lockdown restrictions, Management of the Holding Company was not able to perform the year end physical verification of inventories aggregating to Rs.917.83 lakhs as on March 31, 2020. Consequently, we have performed alternative audit procedures to audit existence of inventory as per the guidance provided in SA 501 "Audit Evidence –Specific Consideration to Selected items" which includes cyclical counts performed by the Management of the Holding Company during the year, roll forward procedures and their supporting documents relating to purchases, productions and sales and have obtained sufficient audit evidence to issue our unmodified opinion on these financial results
- (iii) The Consolidated Financial Results include the results for the quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review.

Our opinion on the consolidated financial results is not modified in respect of the above matters.

For Bagaria and Co. LLP
Chartered Accountants
Firm Registration No.:
113447W/W-100019



Vinay Somani
Partner
Membership No. 143503
UDIN: 20143503AAAAIR4926

Place: Mumbai
Date: July 31, 2020