

# CASTEX TECHNOLOGIES LIMITED

(Formerly Known As AMTEK INDIA LIMITED)

Corporate Office: 3 LSC Pamposh Enclave, Greater Kailash-I, New Delhi-110048  
Tel : +91-11-42344444 Fax : +91-11-42344400

E-mail : info@amtek.com Web : www.amtek.com

CIN : L65921HR1983PLC033789

REF NO.: NSE/BSE/2019-2020

13<sup>th</sup> February, 2020

The Manager Listing Department <b>The BSE Limited</b> Listing Department Phiroze Jee Jee Bhoy Towers, Dalal Street, Mumbai – 400001  Scrip code: 532282	The Secretary <b>The National Stock Exchange of India Limited,</b> “Exchange Plaza”, 5th Floor, Plot No. C/1, G-Block, Bandra – Kurla Complex, Bandra (E), Mumbai-400051  Scrip code: CASTEXTECH
--	--

**Subject: Un-Audited Standalone and Consolidated Financial Results for the Quarter and Nine Months ended December 31, 2019**

Pursuant to the provision of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that Un-Audited Standalone and Consolidated Financial Result of the Company for the Quarter and Nine Month ended December 31, 2019 shall considered and disseminated on February 13, 2020. Consequent to same, we enclosed, interim of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following:

1. The Un-Audited Standalone and Consolidated Financial Results for the Quarter and Nine Month ended December 31, 2019.
2. Limited Review Report on the Un-Audited Financial Result for the Quarter and Nine Month ended December 31, 2019.

The Meeting for approval of Un-Audited Standalone and Consolidated Financial Results was commenced at 05.30 P.M and concluded at 07.35 P.M.

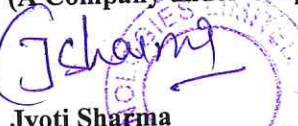
In terms of applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2017, the results are also being published in the newspaper.

You are requested to take the above information on record.

Thanking you,

Yours faithfully,

**For Castex Technologies Limited**  
(A Company under Corporate Insolvency Resolution Process)

  
**Jyoti Sharma**  
(Company Secretary)

**Castex Technologies Limited**

Issued with Approval of Mr. Dinkar Tiruvannadapuram Venkatasubramanian  
(Resolution Professional)

IP Registration no. IBBI/IPA-001/IP-P00003/2016-17/10011

Regd. Office :

Village Narsinghpur Mohammadpur,  
Old Manesar Road Gurgaon,  
Haryana -123106  
Tel. : +91-124-2373406  
Fax : +91-124-2373028  
E-mail: ail.ggn@amtek.com  
Web : www.amtek.com

**CASTEX TECHNOLOGIES LIMITED**  
Statement of Standalone & Consolidated Unaudited Financial Results for the quarter ended 31st December, 2019

S.No.	Particulars	Standalone						Consolidated					
		Quarter Ended		Nine Months Ended		Year Ended		Quarter Ended		Nine Months Ended		Year Ended	
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019	31.12.2019	30.09.2019	31.12.2018	31.12.2018	31.03.2019	31.03.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue	6,979	7,491	10,815	22,732	36,085	45,948	6,979	7,491	10,815	22,732	36,085	45,948
	Revenue from operations	13	12	3	26	9	121	13	12	3	26	9	121
	Other Income	6,966	7,479	10,812	22,706	36,076	45,827	6,966	7,479	10,812	22,706	36,076	45,827
	Total Revenue	6,992	7,504	10,818	22,758	36,095	46,069	6,992	7,504	10,818	22,758	36,095	46,069
2	Expenses	3,157	3,256	5,407	10,549	18,351	23,189	3,157	3,256	5,407	10,549	18,351	23,189
	Cost of Material consumed	(126)	290	22	192	(167)	74	(126)	290	22	192	(167)	74
	Changes in inventories of finished goods, work in progress and stock in trade	1,282	1,124	1,623	3,684	4,996	6,381	1,282	1,124	1,623	3,684	4,996	6,381
	Employee Benefits Expense	158	156	171	464	1,035	1,267	158	156	171	464	1,035	1,267
	Finance Costs	12,380	12,389	12,412	37,088	37,794	49,716	12,380	12,389	12,412	37,088	37,794	49,716
	Depreciation & Amortization Expenses	2,778	3,047	4,035	9,236	13,483	17,766	2,778	3,047	4,035	9,236	13,483	17,766
	Other Expenses	19,628	20,261	23,670	61,163	75,492	98,393	19,628	20,261	23,670	61,163	75,492	98,393
	Total Expenses	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,324)	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,324)
3	Profit/(Loss) before share of profit/(loss) from investment in associates and joint venture, exceptional items and tax(1-2)	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,324)	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,324)
4	Share of profit/(loss) of associates and joint ventures	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,324)	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,324)
5	Profit/(Loss) before exceptional items and tax(3+4)	-	-	-	-	-	-	-	-	-	-	-	-
6	Exceptional items [(Income)/Expense]	-	-	-	-	-	-	-	-	-	-	-	-
7	Profit/(Loss) from before tax (5-6)	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,324)	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,324)
8	Tax expense	-	-	-	-	-	-	-	-	-	-	-	-
	Deferred Tax	-	-	-	-	-	-	-	-	-	-	-	-
	MAT	-	-	-	-	-	-	-	-	-	-	-	-
	Total Tax Expense	-	-	-	-	-	-	-	-	-	-	-	-
9	Profit/(Loss) for the period from continuing operation (7-8)	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,324)	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,324)
	Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-	-
A	(i) items that will not be reclassified to profit or loss	-	-	-	-	-	194	-	-	-	-	-	194
	(ii) income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
B	(i) items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
	(ii) income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
10	Other Comprehensive Income (net of tax) [A(i)-A(ii)+B(i)-B(ii)]	-	-	-	-	-	194	-	-	-	-	-	194
11	Total Comprehensive Income (9+10)	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,130)	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,130)
12	Net profit/(loss) from discontinued operations	-	-	-	-	-	-	(110)	-	-	(332)	-	(5,910)
13	Other comprehensive income from discontinued operations (Net of tax)	-	-	-	-	-	-	(310)	-	-	(975)	-	(1,300)
14	Total Comprehensive Income from discontinued operations (11+12)	-	-	-	-	-	-	(420)	-	-	(1,307)	-	(7,210)
15	Total Comprehensive Income (comprising profit/(loss) and other comprehensive income for the year) (11+14)	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,130)	(12,746)	(13,180)	(13,787)	(39,737)	(40,707)	(59,340)
16	Income attributable to the consolidated group	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,130)	(12,746)	(13,180)	(13,787)	(39,737)	(40,707)	(59,340)
	i) To equity holders	(12,636)	(12,758)	(12,852)	(38,405)	(39,397)	(52,130)	(12,746)	(13,180)	(13,787)	(39,737)	(40,707)	(59,340)
	ii) To non controlling interest	-	-	-	-	-	-	-	-	-	-	-	-
17	Paid-up equity share capital (Face Value of Rs.2 each)	7,562	7,562	7,562	7,562	7,562	7,562	7,562	7,562	7,562	7,562	7,562	7,562
18	Reserves excluding Revaluation Reserves as per balance sheet	-	-	-	-	-	(85,763)	-	-	-	-	-	(40,000)
19	Earning per share for continuing operations:	(3.34)	(3.37)	(3.65)	(10.16)	(16.24)	(19.82)	(3.34)	(3.37)	(3.65)	(10.16)	(16.24)	(19.82)
20	Earning per share for discontinued operations:	-	-	-	-	-	-	(0.03)	(0.03)	-	(0.09)	(1.43)	(1.91)
21	Earning per share for continuing and discontinued operations:	(3.34)	(3.37)	(3.65)	(10.16)	(16.24)	(19.82)	(3.37)	(3.40)	(3.65)	(10.24)	(17.68)	(21.73)

**Notes to financial results:**

- A corporate insolvency resolution process ("CIRP") has been initiated against Castex Technologies Limited ("the Company") vide an order of Chandigarh bench of the National Company Law Tribunal (NCLT) dated December 20, 2017 under the provisions of the insolvency and bankruptcy code 2016 (Code). Pursuant to the order, the power of the Board of directors stands suspended and are exercisable by Mr Dinkar T. Venkatasubramanian, who was appointed as interim resolution professional (IRP) by the NCLT vide order dated December 22, 2017 and was consequently confirmed as Resolution Professional (RP) by the Committee of Creditors (CoC) in its meeting held on January 12, 2018. Hon'ble National Company Law Tribunal "Chandigarh Bench" vide their order No. CP (IB) No.116/Chd/Hry/2017 dated 13th June 2018, approved the extension of CIRP period by 90 days (i.e. from 180 days to 270 days).
- Further, the Committee of Creditors of CTL had approved the resolution plan submitted by Liberty House Group Pte Ltd (LHG) through e-voting process on August 30, 2018. The resolution plan, as approved by the Committee of Creditors of CTL, had also been subsequently submitted to Hon'ble National Company Law Tribunal "Chandigarh Bench" for consideration and approval as per the provision of the Code.
- However, in view of the failure by LHG to comply with steps envisaged in the process memorandum post CoC approved its Resolution Plan as well as continuing default by Liberty in implementing NCLT approved Resolution plans in other CIRPs, the CoC filed an application on 6th of December 2018 to withdraw Liberty's Resolution Plan and sought directions for exclusion of time spent with LHG for negotiating and finalising Resolution Plan and allow a fresh process to identify new resolution applicants for CTL.
- Adjudicating Authority vide its Order dated March 15, 2019 has permitted the application for approval of the resolution plan to be withdrawn. Adjudicating Authority has also directed that the period from the date of acceptance of LHG as the preferred bidder i.e. May 18, 2018 till the receipt of the certified copy of the Order dated March 15, 2019 shall be excluded for counting the 270 days, permitted for completion of the insolvency resolution process. The Order has also allowed CoC to proceed with inviting fresh expression of interest from prospective investors. Accordingly, in terms of the said direction, the RP has invited a fresh expression of interest as on March 29, 2019 and has received six expression of interests in response till date.
- \*Appeal was filed by LHG against the order dated 15.03.2019, on 29.04.2019 before the Hon'ble NCLAT. During the pendency of the said appeal, the resolution professional moved an application seeking exclusion of certain time period due to the pending litigation. Therefore, Hon'ble NCLAT vide its order dated 16.07.2019 due to the pending litigation, excluded a period of 73 days for the purpose of calculating 270 days, which was completed on 11.07.2019, from 29th April (date of filing the appeal) to 11.07.2019. The period of 73 days were allowed to be counted from 17.07.2019, which expired on 28.09.2019.
- The CoC have vide another application sought exclusion/ extension from the Hon'ble NCLAT in view of Section 12(3) of the IBC Code, which is pending adjudication. In the meanwhile the Company is presently undergoing CIRP and the Resolution Process is underway in line with the provisions of IBC.\*

- Post the commencement of CIR Process, the company is continuing to operate as a going concern in terms of the code. As the powers of the Board of Directors have been suspended, the above results have not been adopted by the Board of Directors.
- As per the Code the RP has to receive, collate and all the claims submitted by the creditors of the company. The RP has verified and admitted the claims submitted by the creditors against the company as per the Code. Pending finalisation of resolution plan, the impact of such claims if any that also has not been considered in the preparation of the financial statements. Further, interest on the financial debt from the date of commencement of CIRP (i.e. from 20th December 2017 till 31st December 2019) has not been provided in the books of accounts and charged to the Profit and Loss account.
- Considering the ongoing corporate insolvency resolution process (as mentioned in note 1 & 2), the uncertainty as to the realisation of unused tax losses and MAT credit available cannot be ascertained at this stage. Consequently, adjustments to deferred tax (net) & MAT credit available have not been given effect to, during the period.
- Considering the current operating levels of the Company, and the ongoing CIR Process it is not possible to determine:
  - Impairment, if any, in the economic value of the fixed assets, and tools & dies;
  - Diminution, if any, in the value of investments;
- Trade receivables, loans & advances at December 31st, 2019 (which are subject to confirmation & reconciliation), includes balances from the group entities, which are subject to confirmation/reconciliation and the recoverability assessment thereof is under process.
- The company is in the business of Casting and Machining of steel products and hence has only one reportable operating segment as per Ind AS 108 "operating segments".
- The consolidated financials of the company include financials pertaining to its overseas subsidiary (held for sale), seven associate companies and a joint venture company. It may be noted that the RP of the Company has no control/ access over/ to the entities, which have been consolidated. The accounts of the overseas subsidiary and joint venture company are unaudited and have been considered on the basis of certification by the management of the entities being consolidated.
- Amtek Global Technologies Pte Limited ("AGT"), in which the overseas subsidiary of the Company (i.e. Amtek Kuepper GmbH) holds stake, is under receivership in Singapore and receiver has been appointed. Since the latest financial results for 31st December, 2019 were not available/ accessible to the overseas subsidiary, the investment in AGT held by Amtek Kuepper GmbH, has been valued based on the financial statements for 31 March 2017 for AGT.
- The figures for the quarter ended 31st December 2019 and 2018 are the balancing figures between the Audited figures in respect of full financial year and published year to date figures upto third quarter of the relevant financial year.
- Previous period figures have been regrouped/reclassified wherever considered necessary to make them comparable with current period.

Date: 13.02.2020  
Place: New Delhi

For CASTEX TECHNOLOGIES LIMITED

*[Signature]*  
Chief Financial Officer

*[Signature]*  
Managing Director



**RAJ GUPTA & CO.**

**Chartered Accountants**

**Head Off:** 3049/1 Sector 38-D

Chandigarh - 160036

Phone (0161)2430089, 9815643637

E-mail: [carajguptaco@gmail.com](mailto:carajguptaco@gmail.com)

[www.carajguptaco.com](http://www.carajguptaco.com)

**Admin off:** 271, Maya Nagar,  
Near Gurudwara, Civil Lines  
Ludhiana-141001

**Delhi off:** F-6, Shopping  
Centre-1, Mansarovar Garden,  
New Delhi - 110015

## **INDEPENDENT AUDITORS' REVIEW REPORT**

To

The Resolution Professional,

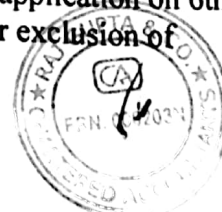
**CASTEX TECHNOLOGIES LIMITED**

We have reviewed the accompanying statement of standalone unaudited financial results of M/s CASTEX TECHNOLOGIES LIMITED (the company), for the quarter ended 31st December, 2019 and the year to date results for the period from 01 April to 31 December 2019, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended) ("Listing Regulations"), including relevant circulars issued by the SEBI from time to time.

"A corporate insolvency resolution process ("CIRP") has been initiated against Castex Technologies Limited ('the Company') vide an order of Chandigarh bench of the National Company Law Tribunal (NCLT) dated December 20, 2017 under the provisions of the insolvency and bankruptcy code 2016 (Code). Pursuant to the order, the power of the Board of directors stands suspended and are exercisable by Mr Dinkar T. Venkatasubramanian, who was appointed as interim resolution professional (IRP) by the NCLT vide order dated December 22, 2017 and was consequently confirmed as Resolution Professional (RP) by the Committee of Creditors (CoC) in its meeting held on January 12, 2018. Hon'able National Company Law Tribunal "Chandigarh Bench" vide their order No, CP (IB) No.116/Chd/Hry/2017 dated 13th June 2018, approved the extension of CIRP period by 90 days (i.e. from 180 days to 270 days).

Further, the Committee of Creditors of CTL had approved the resolution plan submitted by Liberty House Group Pte Ltd (LHG) through e-voting process on August 30, 2018. The resolution plan, as approved by the Committee of Creditors of CTL, had also been subsequently submitted to Hon'ble National Company Law Tribunal "Chandigarh Bench" for consideration and approval as per the provision of the Code.

However, in view of the failure by LHG to comply with steps envisaged in the process memorandum post CoC approved its Resolution Plan as well as continuing default by Liberty in implementing NCLT approved Resolution plans in other CIRPs, the CoC filed an application on 6th of December 2018 to withdraw Liberty's Resolution Plan and sought directions for exclusion of





**RAJ GUPTA & CO.**

**Chartered Accountants**

**Head Off: 3049/1 Sector 38-D**

**Chandigarh - 160036**

**Phone (0161)2430089, 9815643637**

**E-mail: [carajguptaco@gmail.com](mailto:carajguptaco@gmail.com)**

**[www.carajguptaco.com](http://www.carajguptaco.com)**

**Admin off: 271, Maya Nagar,  
Near Gurudwara, Civil Lines  
Ludhiana-141001**

**Delhi off: F-6, Shopping  
Centre-1, Mansarovar Garden,  
New Delhi - 110015**

time spent with LHG for negotiating and finalising Resolution Plan and allow a fresh process to identify new resolution applicants for CTL.

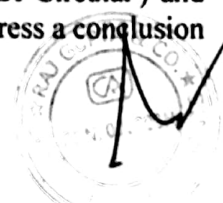
Adjudicating Authority vide its Order dated March 15, 2019 has permitted the application for approval of the resolution plan to be withdrawn. Adjudicating Authority has also directed that the period from the date of acceptance of LHG as the preferred bidder i.e. May 18, 2018 till the receipt of the certified copy of the Order dated March 15, 2019 shall be excluded for counting the 270 days, permitted for completion of the insolvency resolution process. The Order has also allowed CoC to proceed with inviting fresh expression of interest from prospective investors. Accordingly, in terms of the said direction, the RP has invited a fresh expression of interest as on March 29, 2019 and has received six expression of interests in response till date.

"Appeal was filed by LHG against the order dated 15.03.2018, on 29.04.2019 before the Hon'ble NCLAT. During the pendency of the said appeal, the resolution professional moved an application seeking exclusion of certain time period due to the pending litigation. Therefore, Hon'ble NCLAT vide its order dated 16.07.2019 due to the pending litigation, excluded a period of 73 days for the purpose of calculating 270 days, which was completed on 11.07.2019, from 29th April (date of filing the appeal) to 11.07.2019. The period of 73 days was allowed to be counted from 17.07.2019, which expired on 28.09.2019.

The CoC have vide another application sought exclusion/ extension from the Hon'ble NCLAT in view of Section 12(3) of the IBC Code, which is pending adjudication. In the mean while the Company is presently undergoing CIRP and the Resolution Process is underway in line with the provisions of IBC."

As the powers of the Board of Directors have been suspended, the above result has not been adopted by the Board of Directors. However, the same have been signed by Mr. Sanjay Arora, Director of the Company, confirming, accuracy & completeness of the results and taken on record not signed by Mr Dinkar T. Venkatasubramanian (Resolution Professional).

This Statement, which is the responsibility of the company's management, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34, Interim Financial Reporting (IND AS 34) prescribed under section 133 of the Companies Act, 2013 ("the Act"), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 and CIR/IMD/DF1/69/2016 dated 10 August 2016 (hereinafter referred to as 'the SEBI Circular') and other accounting principles generally accepted in India. Our responsibility is to express a conclusion





## **RAJ GUPTA & CO.**

### **Chartered Accountants**

**Head Off:** 3049/1 Sector 38-D

Chandigarh - 160036

Phone (0161)2430089, 9815643637

E-mail: [carajguptaco@gmail.com](mailto:carajguptaco@gmail.com)

[www.carajguptaco.com](http://www.carajguptaco.com)

**Admin off:** 271, Maya Nagar,  
Near Gurudwara, Civil Lines  
Ludhiana-141001

**Delhi off:** F-6, Shopping  
Centre-1, Mansarovar Garden,  
New Delhi - 110015

on the Statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Basis of qualified conclusion**

We draw attention to the following:

1. As per "Indian Accounting Standard 36" which talks about impairment of asset, if the carrying amount of the asset is more than recoverable amount then asset need to be impaired and as per "Indian Accounting Standard 109" on financial instruments which also contains provisions of impairment of financial assets through expected credit loss method basis these provisions we were required to seek for any impairment obligations from management but since the corporate debtors is still under the process CIRP and resolution professional and committee of creditors are in the process of finalization successful resolution applicant and the management has not determined value in use thus impairment of Fixed Assets including Capital Work In Progress (Rs.466800.92Lacs), advances given to related parties (Rs.55111Lacs) and Trade Receivables (Rs.15862.45Lacs). Accordingly, we are unable to ascertain the effect of the same on the financial statements.
2. As per "Indian Accounting Standard 36" company was required to get the Investment (Rs.56435.18Lacs) at fair value but the same has not been done by the company, accordingly we are unable to ascertain the effect of the same on the Financial statements





**RAJ GUPTA & CO.**

**Chartered Accountants**

Head Off: 3049/1 Sector 38-D

Chandigarh - 160036

Phone (0161)2430089, 9815643637

E-mail: [carajguptaco@gmail.com](mailto:carajguptaco@gmail.com)

[www.carajguptaco.com](http://www.carajguptaco.com)

Admin off: 271, Maya Nagar,  
Near Gurudwara, Civil Lines  
Ludhiana-141001

Delhi off: F-6, Shopping  
Centre-1, Mansarovar Garden,  
New Delhi - 110015

3. Considering the current operating levels of the company, and the on-going corporate insolvency resolution process company has not made any impairment in the value of tools and dies amounts to Rs.23515 Lakhs. Moreover, company is showing such tool and dies as inventory. Physical verification has not been done by the management and by third party that have been appointed.
4. Accordingly, we are unable to comment upon the effect of the same on the Financial Statements.
5. We have relied upon the report of External agency for the Inventory. We have not physically verified the same. The report of external agency is subject to qualification which questioned about the provisioning against the Slow, non-moving and dead stock, but the management has not provided the same in their books of account. Accordingly, we are unable to comment upon the effect of the same on the Financial Statements.

**Emphasis of Matter**

We draw attention to the following matters: -

- a) Note No. 1 regarding Corporate Insolvency Resolution Process (CIRP) initiated under Insolvency and Bankruptcy Code, 2016 ('the Code') and the outcome of the CIRP is subject to decision of APEX Court / NCLT.
- b) The Company has been continuously making losses, consequently its net worth is negative and the Company's total liabilities exceeded its total assets. This indicates the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, in view of the CIRP in respect of the Company, which is in progress, the accounts have been prepared on a going concern basis [Refer Note No. 2 of financial results];
- c) Considering the ongoing corporate insolvency resolution process (as mentioned in Note No 1 & 2) the certainty as to the realization of unused tax losses and MAT credit available cannot be ascertained at this stage. Consequently, adjustment to deferred tax (net) and MAT credit available have not been given effect to. (Refer Note 4 to financial results)
- d) As per the code RP has to receive, collate all the claims submitted by the creditors of the company. The RP has verified and admitted the claims submitted by the creditors against the





**RAJ GUPTA & CO.**

**Chartered Accountants**

**Head Off:** 3049/1 Sector 38-D

Chandigarh - 160036

Phone (0161)2430089, 9815643637

E-mail: [carajguptaco@gmail.com](mailto:carajguptaco@gmail.com)

[www.carajguptaco.com](http://www.carajguptaco.com)

**Admin off:** 271, Maya Nagar,  
Near Gurudwara, Civil Lines  
Ludhiana-141001

**Delhi off:** F-6, Shopping  
Centre-1, Mansarovar Garden,  
New Delhi - 110015

company as per the code. Pending finalization of resolution plan, the impact of such claims if any that also has not been considered in the preparation of the financial statements.

- e) Further interest on the financial debt from the date of commencement of CIRP (i.e. from 20<sup>th</sup> December 2017 till 31<sup>st</sup> December 2019) has not been provided in the books of accounts and charged to profit or loss account.
- f) Stock held at Nalagarh and Palwal unit not physically verified by the third agency.
- g) Trade receivables are subject to confirmation.

**Qualified Conclusion**

Based on our review conducted as above, except for the matters described in Basis of Qualified conclusion, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circular(s), and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: New Delhi  
Dated: 13.02.2020

For Raj Gupta & Co.  
Chartered Accountants



Membership No. 017039  
UDIN:- 20017039AAAAV8364



**RAJ GUPTA & CO.**

**Chartered Accountants**

**Head Off:** 3049/1 Sector 38-D

Chandigarh - 160036

Phone (0161)2430089, 9815643637

E-mail: [carajguptaco@gmail.com](mailto:carajguptaco@gmail.com)

[www.carajguptaco.com](http://www.carajguptaco.com)

**Admin off:** 271, Maya Nagar,  
Near Gurudwara, Civil Lines  
Ludhiana-141001

**Delhi off:** F-6, Shopping  
Centre-1, Mansarovar Garden,  
New Delhi - 110015

### **INDEPENDENT AUDITORS' REVIEW REPORT**

To

The Resolution Professional of

**CASTEX TECHNOLOGIES LIMITED**

We, have reviewed the accompanying statement of Consolidated unaudited financial results of M/s CASTEX TECHNOLOGIES LIMITED (the holding company or company), its overseas subsidiary (held for sale), its associates and joint venture, for the quarter ended 31 December, 2019 and the consolidated year to date results for the period from 01 October to 31 December 2019, being submitted by the Holding company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended) ("Listing Regulations"), including relevant circulars issued by the SEBI from time to time.

"A corporate insolvency resolution process ("CIRP") has been initiated against Castex Technologies Limited ('the Company') vide an order of Chandigarh bench of the National Company Law Tribunal (NCLT) dated December 20, 2017 under the provisions of the insolvency and bankruptcy code 2016 (Code). Pursuant to the order, the power of the Board of directors stands suspended and are exercisable by Mr Dinkar T. Venkatasubramanian, who was appointed as interim resolution professional (IRP) by the NCLT vide order dated December 22, 2017 and was consequently confirmed as Resolution Professional (RP) by the Committee of Creditors (CoC) in its meeting held on January 12, 2018. Hon'able National Company Law Tribunal "Chandigarh Bench" vide their order No, CP (IB) No.116/Chd/Hry/2017 dated 13th June 2018, approved the extension of CIRP period by 90 days (i.e. from 180 days to 270 days).

Further, the Committee of Creditors of CTL had approved the resolution plan submitted by Liberty House Group Pte Ltd (LHG) through e-voting process on August 30, 2018. The resolution plan, as approved by the Committee of Creditors of CTL, had also been subsequently submitted to Hon'ble National Company Law Tribunal "Chandigarh Bench" for consideration and approval as per the provision of the Code.

However, in view of the failure by LHG to comply with steps envisaged in the process memorandum post CoC approved its Resolution Plan as well as continuing default by Liberty in implementing NCLT approved Resolution plans in other CIRPs, the CoC filed an application on 6th of December 2018 to withdraw Liberty's Resolution Plan and sought directions for exclusion of time spent with LHG for negotiating and finalising Resolution Plan and allow a fresh process to identify new resolution applicants for CTL.





**RAJ GUPTA & CO.**

**Chartered Accountants**

**Head Off:** 3049/1 Sector 38-D

Chandigarh - 160036

Phone (0161)2430089, 9815643637

E-mail: [carajguptaco@gmail.com](mailto:carajguptaco@gmail.com)

[www.carajguptaco.com](http://www.carajguptaco.com)

**Admin off:** 271, Maya Nagar,  
Near Gurudwara, Civil Lines  
Ludhiana-141001

**Delhi off:** F-6, Shopping  
Centre-1, Mansarovar Garden,  
New Delhi - 110015

Adjudicating Authority vide its Order dated March 15, 2019 has permitted the application for approval of the resolution plan to be withdrawn. Adjudicating Authority has also directed that the period from the date of acceptance of LHG as the preferred bidder i.e. May 18, 2018 till the receipt of the certified copy of the Order dated March 15, 2019 shall be excluded for counting the 270 days, permitted for completion of the insolvency resolution process. The Order has also allowed CoC to proceed with inviting fresh expression of interest from prospective investors. Accordingly, in terms of the said direction, the RP has invited a fresh expression of interest as on March 29, 2019 and has received six expression of interests in response till date.

"Appeal was filed by LHG against the order dated 15.03.2018, on 29.04.2019 before the Hon'ble NCLAT. During the pendency of the said appeal, the resolution professional moved an application seeking exclusion of certain time period due to the pending litigation. Therefore, Hon'ble NCLAT vide its order dated 16.07.2019 due to the pending litigation, excluded a period of 73 days for the purpose of calculating 270 days, which was completed on 11.07.2019, from 29th April (date of filing the appeal) to 11.07.2019. The period of 73 days was allowed to be counted from 17.07.2019, which expired on 28.09.2019.

The CoC have vide another application sought exclusion/ extension from the Hon'ble NCLAT in view of Section 12(3) of the IBC Code, which is pending adjudication. In the mean while the Company is presently undergoing CIRP and the Resolution Process is underway in line with the provisions of IBC."

As the powers of the Board of Directors have been suspended, the above result has not been adopted by the Board of Directors. However, the same have been signed by Mr. Sanjay Arora, Director of the Company, confirming, accuracy & completeness of the results and taken on record not signed by Mr Dinkar T. Venkatasubramanian (Resolution Professional).

This Statement, which is the responsibility of the holding company's management, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34, Interim Financial Reporting (IND AS 34) prescribed under section 133 of the Companies Act, 2013 ("the Act"), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 and CIR/IMD/DF1/69/2016 dated 10 August 2016 (hereinafter referred to as 'the SEBI Circular') and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim





**RAJ GUPTA & CO.**  
**Chartered Accountants**

Head Off: 3049/1 Sector 38-D

Chandigarh - 160036

Phone (0161)2430089, 9815643637

E-mail: [carajguptaco@gmail.com](mailto:carajguptaco@gmail.com)

[www.carajguptaco.com](http://www.carajguptaco.com)

Admin off: 271, Maya Nagar,  
Near Gurudwara, Civil Lines  
Ludhiana-141001

Delhi off: F-6, Shopping  
Centre-1, Mansarovar Garden,  
New Delhi - 110015

financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

**Basis of qualified conclusion**

We draw attention to the following:

1. As per "**Indian Accounting Standard 36**" which talks about impairment of asset, if the carrying amount of the asset is more than recoverable amount then asset need to be impaired and as per "**Indian Accounting Standard 109**" on financial instruments which also contains provisions of impairment of financial assets through expected credit loss method basis these provisions we were required to seek for any impairment obligations from management but since the corporate debtors is still under the process CIRP and resolution professional and committee of creditors are in the process of finalization successful resolution applicant and the management has not determined value in use thus impairment of Fixed Assets including Capital Work In Progress (Rs. 466800.92 Lacs), advances given to related parties (Rs. 55111 Lacs) and Trade Receivables (Rs. 15862.45 Lacs). Accordingly, we are unable to ascertain the effect of the same on the financial statements.
2. As per "**Indian Accounting Standard 36**" company was required to get the Investment (Rs. 56420.69 Lacs) at fair value but the same has not been done by the company, accordingly we are unable to ascertain the effect of the same on the Financial statements.
3. Considering the current operating levels of the company, and the ongoing corporate insolvency resolution process company has not made any impairment in the value of tools and dies amounts





## **RAJ GUPTA & CO.**

### **Chartered Accountants**

**Head Off:** 3049/1 Sector 38-D

Chandigarh - 160036

Phone (0161)2430089, 9815643637

E-mail: [carajguptaco@gmail.com](mailto:carajguptaco@gmail.com)

[www.carajguptaco.com](http://www.carajguptaco.com)

**Admin off:** 271, Maya Nagar,  
Near Gurudwara, Civil Lines  
Ludhiana-141001

**Delhi off:** F-6, Shopping  
Centre-1, Mansarovar Garden,  
New Delhi - 110015

to Rs. 23515 Lakhs. Moreover, company is showing such tool and dies as inventory. Physical verification has not been done by the management and by third party that have been appointed. Accordingly, we are unable to comment upon the effect of the same on the Financial Statements.

4. We have relied upon the report of External agency for the Inventory. We have not physically verified the same. The report of external agency is subject to qualification which questioned about the provisioning against the Slow, non-moving and dead stock, but the management has not provided the same in their books of account. Accordingly, we are unable to comment upon the effect of the same on the Financial Statements.
5. The financial statements and other financial information of the 1 overseas subsidiary, 7 associates & 1 joint venture in the consolidated IND AS financial statements, as at and for the period ended December 31, 2019 are based on its unaudited financial statements. Consequently, we are unable to comment and determine about any adjustment that have been made to these consolidated financial statements
6. We have not been explained and provided with any information regarding assets/liabilities held for sale (Rs. 67684.96/12036.18 Lacs) which pertains to foreign subsidiary. However, as per "**IND AS 105 Non-Current Asset Held for Sale & Discontinued Operations**" the same supposed to be sold out within a year but still appearing in the Consolidated financial statements, accordingly we are unable to certain the effect of the same on the Consolidated Financial Statements.

### **Other Matters**

Consolidated Financials includes the unaudited financial statements of the overseas subsidiary, joint venture and associates referred to in paragraph below,

Overseas Subsidiary.

1 Amtek Kupper GmbH

Joint Venture

2 Amtek Riken Casting Pvt. Ltd.





## **RAJ GUPTA & CO.**

### **Chartered Accountants**

**Head Off:** 3049/1 Sector 38-D

Chandigarh - 160036

Phone (0161)2430089, 9815643637

E-mail: [carajguptaco@gmail.com](mailto:carajguptaco@gmail.com)

[www.carajguptaco.com](http://www.carajguptaco.com)

**Admin off:** 271, Maya Nagar,  
Near Gurudwara, Civil Lines  
Ludhiana-141001

**Delhi off:** F-6, Shopping  
Centre-1, Mansarovar Garden,  
New Delhi - 110015

Associate

3 Terrasoft Infosystems Pvt. Ltd.

4 Aaron Steels & Alloys Pvt. Ltd.

5 Asta Motorcycles and Scooter Pvt. Ltd.

6 Blaze spare parts Pvt. Ltd.

7 Domain Steels & Alloys Pvt. Ltd.

8 Gagandeep Steels & Alloys Pvt. Ltd.

9 Neelmani Engine Components Pvt. Ltd.

### **Emphasis of Matter**

We draw attention to the following matters:-

- a) Note No. 1 regarding Corporate Insolvency Resolution Process (CIRP) initiated under Insolvency and Bankruptcy Code, 2016 ('the Code') and the outcome of the CIRP is subject to decision of APEX Court / NCLT.
- b) The Company has been continuously making losses, consequently its net worth is negative and the Company's total liabilities exceeded its total assets. This indicates the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, in view of the CIRP in respect of the Company, which is in progress, the accounts have been prepared on a going concern basis [Refer Note No. 2 of financial results];
- c) Considering the ongoing corporate insolvency resolution process (as mentioned in Note No 1 & 2) the certainty as to the realization of unused tax losses and MAT credit available cannot be ascertained at this stage. Consequently, adjustment to deferred tax (net) and MAT credit available have not been given effect to. (Refer Note 4 to financial results)
- d) As per the code RP has to receive, collate all the claims submitted by the creditors of the company. The RP has verified and admitted the claims submitted by the creditors against the company as per the code. Pending finalization of resolution plan, the impact of such claims if any that also has not been considered in the preparation of the financial statements. Further interest on the financial debt from the date of commencement of CIRP (i.e. from 20<sup>th</sup> December 2017 till 30<sup>th</sup> September 2019) has not been provided in the books of accounts and charged to profit or loss account.





**RAJ GUPTA & CO.**

**Chartered Accountants**

**Head Off:** 3049/1 Sector 38-D

Chandigarh - 160036

Phone (0161)2430089, 9815643637

E-mail: [carajguptaco@gmail.com](mailto:carajguptaco@gmail.com)

[www.carajguptaco.com](http://www.carajguptaco.com)

**Admin off:** 271, Maya Nagar,  
Near Gurudwara, Civil Lines  
Ludhiana-141001

**Delhi off:** F-6, Shopping  
Centre-1, Mansarovar Garden,  
New Delhi - 110015

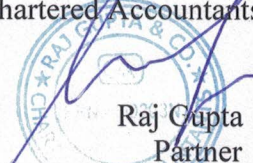
- e) Stock held at Nalagarh and Palwal unit not physically verified by the third agency.
- f) Trade receivables are subject to confirmation.

**Qualified Conclusion**

Based on our review conducted as above, except for the matters described in Basis of Qualified conclusion, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circular(s), and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: New Delhi  
Dated: 13.02.2020

For Raj Gupta & Co.  
Chartered Accountants

  
Raj Gupta  
Partner

Membership No. 017039  
UDIN:- 20017039AAAAAW1447