

# ARCOTECH LTD.

Regd. Office/Works: 181, Sector-3, Industrial Growth Center Bawal-123501, Distt. Rewari, Haryana  
Ph.: 01284-264160 / 61, Email : contact@arcotech.in, Website : www.arcotech.in  
CIN : L34300HR1981PLC012151

June 29, 2021

<b>Bombay Stock Exchange Ltd.</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001  Fax No. 022 2272 3121  <b><u>Scrip ID: ARCOTECH, Scrip Code: 532914</u></b>	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex. Bandra(E), Mumbai-400051  Fax No. - 022-26598237/38  <b><u>Symbol: ARCOTECH, Series: EQ</u></b>
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**Sub: Outcome of Board Meeting held on Tuesday, June 29, 2021**

Dear Sir

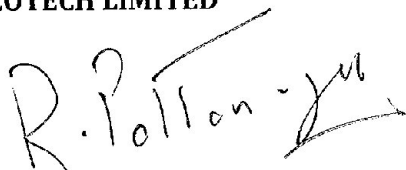
Pursuant to the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we wish to inform you that the Board of Directors of Arcotech Limited at their meeting held on Friday, June 29, 2021, inter alia, has approved the Annual Audited Standalone Financial Results along with Auditor's report, Declaration for audit Report with unmodified opinion for the Quarter and Financial Year ended 31<sup>st</sup> March, 2021 as reviewed by the Audit Committee.

The financial Results will be published in the newspaper in terms of SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015.

The meeting of Board of Directors commenced at 12:45 pm and concluded at 01:45 p.m.

This is for your kind reference and record.

**FOR ARCOTECH LIMITED**



**RADHANATH PATTANAYAK**  
**WHOLE TIME DIRECTOR**

**Encl:**

1. Independent Auditor Report
2. Annual Audited Standalone financial Results
3. Declaration for audit Report with unmodified opinion

## TO THE BOARD OF DIRECTORS

### ARCOTECH LIMITED

1. We have audited the quarterly financial results of ARCOTECH LIMITED for the quarter ended 31 March, 2021 and the year to date results for the period 01 April 2020 to 31 March 2021, attached herewith, being submitted by the Company pursuant to requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 for Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standard require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financials results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. **Basis for Qualified Opinion**  
The Company has filed restructuring proposal with the lenders. Consequent to the filing of restructuring package with the lenders, TEV (techno economic viability) study of the operations of the Company was conducted by the outside agencies where in certain reliefs/ concessions have been envisaged to make the project viable. Included in these is relief in interest rates effective from 01.11.2018. The company has provided interest at the rates mentioned in TEV. This alongwith other unprovided interest amounts to Rs. 2360.14 lakhs (net of tax) for the current financial year.
4. **Qualified Opinion**  
Based on review conducted as above , except for the effects of the matter described in the Basis for Qualified Opinion stated in paragraph 3 nothing has come to our attention that causes us to believe that accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIRICFD/F AC/62/20 16 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.





**Material Uncertainty Relating to Going Concern**

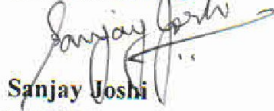
5. The Company has incurred a net loss of Rs 2652.44 lacs during the financial year ended 31 March 2021 (Previous Year loss of Rs 5871.42 lacs). The turnover of Company during the financial year ended 31 March 2021 is Rs 5315.60 lacs (Previous Year Rs 7665.68 lacs). The current liabilities exceed current assets. Had the company provided the interest as mentioned in para 3 above the net loss for the current financial year would have been Rs 5,012.58 lacs.

The restructuring of the Company's business is under consideration by the lenders. In view of the management's expectation of successful outcome of above proposal and revival of its business, the financial statements have been prepared on going concern basis. However, in view of above uncertainties, we are unable to comment on the ability of the company to continue as a "going concern" and the consequential adjustments to the accompanying financial statements, if any, that might have been necessary had the financial statements been prepared under liquidation basis.

The lenders had mandated a credit rating agency to review the restructuring plan of a company which has received a RP4 rating. This rating as per RBI circular allows the company to be restructured under the resolution of framework, as this is a investable great rating. Our opinion is not modified in respect of this matter.

6. The Company is still recognizing deferred tax assets on losses. The matters discussed in para 5 above creates doubt and uncertainty relating to recoverability of deferred tax assets. As per explanation given to us and according to management assessment Company will be in position to generate future profits against which these losses will be setoff. Our opinion is not modified in respect of this matter.

For and on behalf of  
Amit Joshi & Associates  
Chartered Accountants  
FRN No. 004898N

  
Sanjay Joshi  
Partner

M.No. 084687  
UDIN: 21084687AAAAOD1608  
Place: New Delhi  
Date: 29.06.2021



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## ANNUAL AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

(Rs in Lacs)

SL NO.	PARTICULARS	FOR THE QUARTER ENDED			FOR THE YEAR ENDED	
		31.03.2021 (Audited)	31.12.2020 (Un Audited)	31.03.2020 (Audited)	31.03.2021 (Audited)	31.03.2020 (Audited)
1	<b>Income</b>					
	Revenue from operations	2,659.54	1,864.16	194.04	5,236.90	7,548.97
	Other Income	73.60	(1.93)	31.14	78.70	116.71
	<b>Total Income</b>	<b>2,733.14</b>	<b>1,862.23</b>	<b>225.18</b>	<b>5,315.60</b>	<b>7,665.68</b>
2	<b>Expenses</b>					
	(a) Cost of material consumed	2,832.97	1,848.94	143.51	5,391.37	7,532.90
	(b) Changes in inventory of finished goods, work-in-progress and stock-in-trade	(264.08)	11.28	1,652.82	(240.36)	5,615.61
	(c) Employee benefits expense	43.19	26.85	60.51	105.05	266.10
	(d) Finance Costs	635.17	782.83	(1,461.13)	2,507.45	1,308.84
	(e) Depreciation and amortisation expense	276.55	276.63	276.81	1,106.45	1,107.22
	(f) Other expenses	202.89	60.41	493.47	360.73	792.66
	<b>Total Expenses</b>	<b>3,726.69</b>	<b>3,006.94</b>	<b>1,165.99</b>	<b>9,230.69</b>	<b>16,623.33</b>
3	<b>Profit/(Loss) before Exceptional items and tax (1-2)</b>	<b>(993.55)</b>	<b>(1,144.71)</b>	<b>(940.81)</b>	<b>(3,915.09)</b>	<b>(8,957.65)</b>
4	<b>Exceptional Items(Net)</b>	-	-	-	-	-
5	<b>Profit / (Loss) before Exceptional items and tax (3+4)</b>	<b>(993.55)</b>	<b>(1,144.71)</b>	<b>(940.81)</b>	<b>(3,915.09)</b>	<b>(8,957.65)</b>
6	<b>Tax Expenses:</b>					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax	(325.64)	(316.79)	(620.94)	(1,262.65)	(3,086.23)
	(c) MAT credit entitlement	-	-	-	-	-
7	<b>Profit /(Loss) for the period from continuing operations(5-6)</b>	<b>(667.91)</b>	<b>(827.92)</b>	<b>(319.87)</b>	<b>(2,652.44)</b>	<b>(5,871.42)</b>
8	Profit /(Loss) for the period from discontinuing operations	-	-	-	-	-
9	Tax expenses of discontinuing operation	-	-	-	-	-
10	<b>Profit/Loss from Discontinuing operations (after tax) (8-9)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
11	<b>Profit/ (loss) for the period (7+10)</b>	<b>(667.91)</b>	<b>(827.92)</b>	<b>(319.87)</b>	<b>(2,652.44)</b>	<b>(5,871.42)</b>
12	<b>Other Comprehensive Income/(loss)</b>					
	A. (i) Items that will not be classified to profit or loss					
	Re-measurement of defined benefit plans	13.35	0.25	(1.03)	14.10	1.99
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(4.67)	(0.09)	0.36	(4.93)	(0.70)
	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	-	-	-	-	-
13	<b>Total Comprehensive Income for the period (11+12)(Comprising Profit/ (Loss) and Other comprehensive Income for the period )</b>	<b>(659.23)</b>	<b>(827.76)</b>	<b>(320.54)</b>	<b>(2,643.27)</b>	<b>(5,870.13)</b>
14	Paid-up equity share capital	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00
15	Other Equity	-	-	-	-	-
16	<b>Earnings per equity share (for continuing operation)(at Face Value Rs.2/-):</b>					
	(1) Basic (Rs.)	(0.64)	(0.79)	(0.30)	(2.53)	(5.59)
	(2) Diluted (Rs.)	(0.64)	(0.79)	(0.30)	(2.53)	(5.59)

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R.P. 11/10/21

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## Statement of Assets and Liabilities

Particulars	As At 31.03.2021 (Rs in lacs)	As At 31.03.2020 (Rs in lacs)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	17,022.78	18,081.65
Financial assets		
Investments	1.02	0.96
Other financial assets	50.38	50.38
Deferred tax assets (net)	6,895.93	5,638.21
Other non-current assets	770.36	790.47
<b>Subtotal</b>	<b>24,740.47</b>	<b>24,561.67</b>
<b>Current assets</b>		
Inventories	5,948.65	5,708.44
Financial assets		
Trade receivables	23,785.07	24,262.01
Cash and cash equivalents	0.57	10.84
Other bank balances	15.57	101.74
Other current financial assets	11.21	9.50
Other current assets	8,003.39	8,035.10
<b>Subtotal</b>	<b>37,744.46</b>	<b>38,127.63</b>
<b>Total Assets</b>	<b>62,484.93</b>	<b>62,689.30</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	2,100.00	2,100.00
Other equity	6,189.05	8,832.32
<b>Total equity</b>	<b>8,289.05</b>	<b>10,932.32</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial Liabilities		
Borrowings	250.17	219.43
Provisions	134.85	143.72
Deferred tax liabilities (Net)	-	-
<b>Sub total</b>	<b>385.02</b>	<b>363.15</b>
<b>Current liabilities</b>		
Financial Liabilities		
Borrowings	39,184.73	37,447.57
Trade payables		
- total outstanding dues of micro and small enterprises	3.71	4.34
- total outstanding dues other than micro and small enterprises	159.81	114.40
Other financial liabilities	10,578.98	9,923.16
Other current liabilities	75.55	87.03
Current tax liabilities (net)	2,529.44	2,550.52
Provisions	1,278.64	1,268.81
<b>Sub total</b>	<b>53,810.86</b>	<b>51,393.83</b>
<b>Total Equity and Liabilities</b>	<b>62,484.93</b>	<b>62,689.30</b>

### Notes:

- The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at their meeting held on June 29, 2021. The results for the current quarter and year ended 31st March, 2021 have been audited by the Statutory Auditor of the company.
- There were no Complaints pending from Investors at the beginning and at the end of the Quarter and year ended March 31, 2021.
- The Company's operations have been considered as representing a single primary segment. Hence, there is no requirement of segment reporting.
- Previous period figures have been rearrange and regrouped, wherever necessary.
- The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year

Place: New Delhi  
Dated: 29.06.2021

FOR ARCOTECH LIMITED  
*R. P. S. Patil*  
WHOLE TIME DIRECTOR  
Din No: 01189370

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Statement of Cash Flow for the year ended March 31, 2021

(In Lacs, INR)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Cash flow from operating activities</b>		
Profit before tax	(3,915.09)	(8,957.65)
<b>Non cash adjustments to reconcile profit before tax to net cash flows :</b>		
Depreciation and amortization	1,106.45	1,107.22
Finance costs	2,507.45	1,308.84
Interest Income	(5.62)	(14.51)
Unrealised foreign exchange fluctuation (net)	(64.90)	(48.18)
Provision for doubtful debts	40.00	40.00
Sundry balance written off (creditors)	(7.97)	(38.10)
Loss on sale of PPE	0.50	-
	<b>3,575.91</b>	<b>2,355.27</b>
<b>Movement in working capital :</b>		
Inventories	(240.21)	5,865.69
Trade receivable	495.49	3,997.18
Other bank balances	86.17	107.77
Current and non-current financial assets	(1.71)	7.59
Other current and non-current assets	78.16	939.02
Current and non-current financial liabilities	46.71	(57.14)
Other current and non-current liabilities	(11.48)	(286.48)
Current and non-current provisions	13.56	(13.07)
Trade payable	52.10	(238.22)
	<b>518.80</b>	<b>10,322.34</b>
<b>Cash generated From operations</b>	<b>179.62</b>	<b>3,719.96</b>
Direct taxes paid (net of refunds)	(21.08)	27.77
<b>Net cash flow used in operating activities (A)</b>	<b>158.54</b>	<b>3,747.72</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(48.27)	-
Proceeds from sale of property, plant and equipment	0.20	-
(Increase) /decrease in Investments	-	11.50
Interest received	5.56	14.51
	<b>(42.51)</b>	<b>26.01</b>
<b>Cash flow from financing activities</b>		
Net proceeds / (repayment) of non current borrowings	-	(1,452.24)
Net proceeds / (repayment) of current borrowings	(8.85)	1,071.20
Interest paid	(117.45)	(4,097.71)
Proceeds from issue of Preference share capital	-	703.71
	<b>(126.30)</b>	<b>(3,775.05)</b>
<b>Net cash used in financing activities ( C)</b>	<b>(126.30)</b>	<b>(3,775.05)</b>
<b>Net change in cash &amp; cash equivalents (A + B + C)</b>	<b>(10.27)</b>	<b>(1.31)</b>
<b>Cash and cash equivalents at the beginning of year</b>	<b>10.84</b>	<b>12.15</b>
<b>Cash and cash equivalents at the end of year</b>	<b>0.57</b>	<b>10.84</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	0.02	0.25
Balance with banks	0.55	10.59
<b>Total cash &amp; cash equivalents (refer note no 8)</b>	<b>0.57</b>	<b>10.84</b>

Other disclosure required by Ind AS -7

Changes in liabilities arising from financing activities

Particulars	Opening Balance	Cash Flows/ Interest Cost	Non - cash changes			Closing Balance
			Acquisitions	Transaction cost adjustment	Fair value changes	
Long term borrowings	219.43	30.74	-	-	-	250.17
Short term borrowings	37,447.57	1,737.16	-	-	-	39,184.73
Lease liabilities	-	-	-	-	-	-
Assets held to hedge	-	-	-	-	-	-
<b>Total liabilities from financing activities</b>	<b>37,667.00</b>	<b>1,767.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,434.90</b>

For Arcotech Limited

*R. N. Pattanayak*

R.N. Pattanayak

Whole Time Director

Din No: 01189370

Place: New Delhi

Dated: 29.06.2021

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June 29, 2021

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## DECLARATION

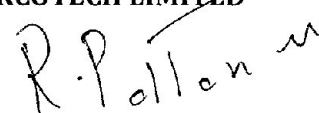
### Sub: Declaration pursuant to regulation 33(3) (d) of the SEBI (LODR) Regulation, 2015

Dear Sir,

I, Radhanath Pattanayak, Whole Time Director of Arcotech Limited (CIN: L34300HR1981PLC012151) ("The Company") having its Registered office at 181, Sector 3, Industrial Growth Centre, Bawal-123501, Distt. Rewari, Haryana, hereby declare that the statutory Auditors of the Company, M/s Amit Joshi & Associates, Chartered Accountants (Reg.no-004898N) have issued an Audit Report with unmodified/qualified opinion on annual audited standalone financial results for the quarter and year ended 31.03.2021.

This declaration is issued on compliance of regulation 33(3) (d) of the SEBI (LODR) Regulations, 2015 as amended by the SEBI (LODR) (Amendment) Regulation, 2016 dated 25/05/2016.

**FOR ARCOTECH LIMITED**

  
**RADHANATH PATTANAYAK**  
**WHOLE TIME DIRECTOR**  
**DIN: 01189370**