



Rajvir Industries Limited



Tradition of Innovation
Govt. Recognised Star Export House

Rajvir/Sec./SE/2020-21
13th November, 2020

Department of Corporate Services	National Stock Exchange of India Ltd.,(NSE)
BSE,Limited, 1st Floor New Trading Ring,Rotunda Building, P.J. Towers, Dalal Street, Fort-Mumbai-400001	Exchange Plaza, C-1, Block G,BandraKurla Complex, Bandra(E), Mumbai – 400 051.

Ref. No.: 532665/RAJVIR

Sub: Outcome of Board meeting held on 13.11.2020

We are pleased to inform the Exchange that the meeting of the Board of Directors of Rajvir Industries Limited held on Friday, 13th November, 2020 at 3:30 p m. at the registered office of the Company situated at 105, 1st Floor, Surya Towers, SP Road, and Secunderabad 500003 the following were considered and approved:

1. Unaudited financial results along with Limited Review Report for the quarter and half year ended 30.09.2020 (Enclosed)

The meeting commenced at 3:30 pm and concluded at 5:50 P.M

We request you to kindly take the same on your record.

Thanking you

Yours truly

For Rajvir Industries Limited

AKW
Ritesh K. Agarwal
Managing Director
(DIN-00513341)



S.No.	Particulars	Quarter Ended			Half Year ended		Year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Un-Audited			Un-Audited		Audited
		1	2	3	1	2	1
1	a. Revenue from operations	389.46	181.37	895.15	570.83	2041.20	3393.96
	b. Other Income	3.34	1.70	191.66	5.04	195.03	156.43
	Total Revenue (a+b)	392.80	183.07	1086.81	575.87	2236.23	3550.39
2	Expenses						
	(a) Cost of materials consumed	183.73	50.60	455.40	234.33	1046.70	1692.12
	(b) Purchase of stock-in-trade	0.00	0.00	0.00	0.00	0.00	-
	(c.) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	119.38	404.10	4.78	523.48	87.01	406.70
	(d) Employee benefits expense	149.93	73.39	245.04	223.32	501.51	871.62
	(e) Finance costs	468.70	457.20	433.58	925.90	866.60	1770.24
	(f) Depreciation and amortisation expense	63.35	63.57	65.07	126.92	130.19	260.17
	(g) Other Expenses	188.17	129.16	291.85	317.33	665.09	1292.90
	Total Expenses	1173.26	1178.02	1495.72	2351.28	3297.10	6293.75
3	Profit before exceptional and extraordinary items and tax (1-2)	(780.46)	(994.95)	(408.91)	(1,775.41)	(1,060.87)	(2,743.36)
4	Exceptional items	-	-	-	-	-	-
5	Profit before extraordinary items and tax (3-4)	(780.46)	(994.95)	(408.91)	(1,775.41)	(1,060.87)	(2,743.36)
6	Extraordinary items	-	-	-	-	-	(188.76)
7	Profit before tax (5-6)	(780.46)	(994.95)	(408.91)	(1,775.41)	(1,060.87)	(2,554.60)
8	Tax expense	-	-	-	-	-	-
	(i) Current tax	-	-	-	-	-	-
	(ii) Deferred tax	11.84	9.08	161.62	20.92	178.99	393.47
9	Net Profit / (Loss) from continuing operations for the period (7-8)	(792.30)	(1,004.03)	(570.53)	(1,796.33)	(1,239.86)	(2,948.07)
10	Profit/(loss) from discontinuing operations	(73.05)	(89.55)	(73.78)	(162.60)	(147.64)	(291.12)
11	Tax expenses/(income) of discontinuing operations	-1.85	3.89	1.84	2.04	3.70	44.85
12	Net Profit / (Loss) from discontinuing operations for the period (10-11)	(71.20)	(93.44)	(75.62)	(164.64)	(151.34)	(335.97)
13	Net profit/(loss) for the period (9+12)	(863.50)	(1,097.47)	(646.15)	(1,960.97)	(1,391.20)	(3,284.04)
14	Other Comprehensive Income						
	(i) (a) Items that will not be reclassified to profit or loss	7.20	(2.40)	(1.15)	4.80	(2.30)	9.60
	(b) Tax on items that will not be reclassified to profit or loss	(1.87)	0.62	0.23	(1.25)	0.53	(2.50)
	(ii) (a) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(b) Tax on items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income/(loss) net of tax	5.33	(1.78)	(0.92)	3.55	(1.77)	7.10
15	Total Comprehensive Income for the period (13+14)	(858.17)	(1,099.25)	(647.07)	(1,957.42)	(1,392.97)	(3,276.94)
16	Paid-up equity share capital (Face Value of Rs.10/- each)	399.49	399.49	399.49	399.49	399.49	399.49
17	Other Equity excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	(9,763.41)
18.i	Earnings Per Share (for continuing operations) (of Rs.10/- each) (not annualised): Basic & Diluted	(19.83)	(25.13)	(14.28)	(44.97)	(31.04)	(73.80)
18.ii	Earnings Per Share (for continuing and discontinuing operations) (of Rs.10/- each) (not annualised): Basic & Diluted	(21.48)	(27.52)	(16.20)	(49.00)	(34.87)	(82.03)

For Rajvir Industries Limited



Ritesh K Agarwal
 Managing Director

RAJVIR INDUSTRIES LIMITED

BALANCE SHEET AS ON 30.09.2020

Particulars	As at	As at
	30.09.2020	31.03.2020
	Un-Audited	Audited
I ASSETS		
1 Non-Current Assets		
a) Property, Plant and Equipment	2705.36	2833.69
b) Capital work - in - progress	-	-
c) Intangible assets	-	-
d) Loans	328.28	402.83
e) Other Financial Assets	-	-
f) Deferred tax asset (Net)	617.41	641.62
g) Other Non-current Assets	52.44	52.44
Total of Non - Current Assets	3703.49	3930.58
2 Current Assets		
(a) Inventories	920.91	1441.46
(b) Financial Assets		
(i) Trade Receivables	244.35	296.00
(ii) Cash and cash equivalents	80.38	54.89
(iii) Bank balances other than Cash	0.00	0.00
(iv) Loans	0.00	0.00
(v) Other financial assets	49.82	53.68
(c) Current tax assets (net)	31.07	31.07
(d) Other Current Assets	468.10	474.60
Total of Current Assets	1794.63	2351.70
Assets Classified as held for sale and Discontinued Operations		
Total Assets	11777.56	11782.06
II EQUITY AND LIABILITIES		
1 Equity		
(a) Equity share capital	399.49	399.49
(b) Other equity	(11720.83)	(9763.41)
Total Equity	(11321.34)	(9363.92)
LIABILITIES		
2 Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	4408.93	5087.43
(ii) Other financial liabilities	460.54	460.86
(b) Provisions	81.66	77.66
(c) Deferred Tax Liabilities (Net)	0.00	0.00
(d) Other non-current liabilities	0.00	0.00
Total of Non - current Liabilities	4951.13	5625.95
3 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	5831.97	5831.97
(ii) Trade Payables	2947.82	2929.56
(iii) Other Current Financial Liabilities	10251.98	8659.26
(b) Other Current Liabilities	1261.06	1185.45
(c) Short-Term Provisions	98.95	96.45
(d) Current Tax Liabilities	0.00	0.00
Total of Current Liabilities	20391.78	18702.69
Liabilities related to Assets held for sale	3254.11	3099.62
Total Equity and Liabilities	17275.68	18064.34

For Rajvir Industries Limited



RK
Ritesh K Agarwal
Managing Director

Rajvir Industries Limited
Statement of Cash flow for the half year ended 30-09-2020

Rs.in lakhs

PARTICULARS	As at 30-09-2020	As at 30-09-2019
A) Cash flows from operating activities		Un-Audited
Profit before taxes		
Adjustments:		
Depreciation and amortization expense	(1,775.40)	(1,060.87)
Loss/(profit) on sale of fixed assets	126.92	130.19
Provision for doubtful debts/ECL	(1.50)	-
Finance costs	33.63	24.91
Interest income	925.90	866.60
Re-measurement Gain/losses on employee defined benefit plans	(3.37)	(5.74)
Write off	(4.80)	2.30
Operating profit before working capital changes		
Changes in working capital and other provisions:	(698.63)	(42.62)
Loans and advances and other assets		
Trade receivables		
Inventories	51.65	(41.23)
Loans - non current	520.55	118.91
Other non-current assets	74.55	0.50
Other financial assets - current	0.00	-0.03
Other current assets	3.86	253.47
Bank balances	6.50	(46.68)
Other Liabilities and provisions		
Other financial liabilities - non current	0.00	0.00
Long term provision	-0.32	0.16
Other financial liabilities - current	4.00	6.00
Trade payable	1592.72	1416.71
Other current liabilities	18.26	8.28
Short term provision	75.61	211.41
Cash generated from operations	2.50	6.60
Income taxes paid, net	1651.25	1891.47
Net cash from/(used in) operating activities	0.00	0.00
Net cash from discontinued activities:	1651.25	1891.47
Net Cash from continuing and discontinued activities	(162.60)	(147.64)
	1488.65	1743.83
(B) Cash flows from investing activities		
Purchase of property, plant and equipment and changes in CWIP		
Proceeds from sale of property, plant and equipment	0.00	(2.62)
Interest income	2.90	0.00
Net cash from/(used in) investing activities	3.37	5.74
Net cash from discontinued activities	6.27	3.12
Net Cash from continuing and discontinued activities	0.00	0.00
	6.27	3.12
(C) Cash flows from financing activities		
Bank borrowings		
Interest expense	(678.50)	(707.94)
Net cash generated in financing activities	(925.90)	(866.60)
Net cash from discontinued activities	(1604.40)	(1574.53)
Net cash from continuing and discontinued activities	(162.60)	(147.64)
Net increase/ (decrease) in cash and cash equivalents	(1767.00)	(1722.17)
Add: cash and cash equivalents at the beginning of the year	25.49	24.78
Cash and cash equivalents at the end of the period	(5727.17)	(5700.08)
	-5701.68	-5875.30
Cash and cash equivalents from continuing operations	(5701.77)	(5675.39)
Cash and cash equivalents from discontinued operations	0.09	0.09
Cash and cash equivalents from continuing and discontinued activities	(5701.68)	(5675.30)

Note:

- 1) The above Statement has been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 13th November, 2020 and also been subjected to Limited Review by the Statutory Auditors of the Company.
- 2) The Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3) Discontinued Operations :
The company has presented the financials of Tandur Unit as discontinued operations. The transfer and sale of Tandur unit is subject to finding the buyer/investor and receipt of acceptable offer and is also subject to such other requisite approvals, consents and clearance from the Company's Bankers, Company's Shareholders and other Institutions or bodies and statutory authorities if and wherever necessary, and as may be required. The board and the Company remains committed to its plan to sell Tandur Unit which is disclosed as 'Assets held for sale and Discontinued Operation'.
- 4) The networth of the Company has been eroded and these financials statements are prepared on going concern basis on the assumption of steps for cost reduction, improvement in productivity and financial support from the promoters, sale of assets under discontinued operations whereby the management expects that the company would generate sufficient profits in the foreseeable future.
- 5) Deferred Tax Assets on losses has not been created for the period as there is no virtual certainty that the company would have future taxable profit against which the unused tax losses and unused tax credits can be utilised.
- 6) The value of Changes in Inventory of finished goods/process stock for the half year includes impairment/written off damaged stock of Rs.517.38 lakhs.
- 7) "Assets held for sale and discontinued operations" includes (i) Insurance claim receivable of Rs. 337.87 Lakhs (ii) Interest subsidy under TJFS receivable of Rs. 1288.86 Lakhs remains pending for acceptance at the close of the reporting period and (iii) Incentive receivable of Rs. 740.09 lakhs (pertaining to financial year 2013-14 to 2015-16) has not been recovered, for which provision has not been made for impairment. The management is of view these financial assets are recoverable.
- 8) The Company had filed a Securitisation Application numbered as SA 528 of 2018 challenging the various action taken against the banker on sale of a part of land in the month of July 2020 which has been adjusted against the borrowings by lenders and the company has not accounted this exceptional item in the books amounting to Rs.1210 lakhs (as reported Form 26AS). Consequently it will impact the value Property Plant and Equipment, Retained Earnings, Deferred Tax Asset, Loss for the year and Short term Borrowings. The Company has challenged the physical possession and sale by bankers situated at Survey No. 173, 334/1, 347, 345, 348 and 349 admeasuring about 16 Acres and 28 Guntas at Yehira (V & GP), Mahaboobnagar.
- 9) The Government of India, on 20 September 2019, vide the Taxation Laws (Amendment) Ordinance 2019, the Ordinance inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying income tax at reduced rates as per the provisions/conditions defined in the said section. The Company has evaluated the above Ordinance and based on its evaluation currently management has opted for continuing with the old rates.
- 10) The lock down imposed to contain the spread of COVID-19 impacted significantly the Company's operations and financial results for the quarter under review. The Company has been taking special measures required for containing the spread of COVID-19 and the operations have resumed gradually during the quarter. However, the limited availability of work force and disruptions in supply continue to impact the progress. The results for the quarter are therefore not comparable with those of the previous quarters. The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments. The Company continue to monitor the economic effects of the pandemic while taking steps to improve its operations.
- 11) The Company has only single reportable business segment.
- 12) Previous period's / year's figures have been regrouped / rearranged wherever necessary.

Place: SECUNDERABAD
Date : 13th NOVEMBER 2020



For RAJIVR INDUSTRIES LIMITED

(RITESH K AGARWAL)
MANAGING DIRECTOR

Independent Auditor's Review Report on Quarterly Unaudited Financial Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors
Rajvir Industries Limited

1. We have reviewed the accompanying statement of unaudited financial results of Rajvir Industries Limited ('the Company') for the quarter ended 30th September 2020 and year to date from April 01, 2020 to September 30, 2020 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind As 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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. This standard required that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. 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.

4. Basis for Qualified Opinion

During the period under review, there was sale of part of land directly by the bankers of the company in the month of July 2020 amounting to Rs.1210 lakhs as reported in Form 26AS, which according to company, the transfer of aforesaid property has been challenged and has filed a Securitisation Application numbered as S.A 528 of 2018 by the company and matter pending before Honourable Debt Recovery Tribunal – II, Hyderabad and is subject to final decree and judgement. The said application has also challenged the various unilateral and arbitrary actions taken by the bankers. Had the sale of land was accounted in the financial statements, which according to information and explanation given to us, should have been accounted as sale of property resulting in exceptional gain on sale of Rs.1137.25 lakhs, thereby the losses before tax would have been lower by Rs.1137.25 lakhs, deferred tax asset lower by Rs.236.55 lakhs and corresponding retained earnings would have higher by Rs.900.70 lakhs, Property Plant and Equipment would have been lower by Rs.72.75 lakhs and Loans from banks would have been lower by Rs.1210 lakhs. The Interest payable on outstanding loans due to bankers is accounted without considering the sale proceeds from sale of Land and thereby the finance cost is higher by Rs.33.28 lakhs, losses for the year is higher by Rs.33.28 lakhs and corresponding Loans is higher by Rs.33.28 lakhs and Retained earnings lower by Rs.33.28 lakhs.

5. Qualified Conclusion

Based on our review conducted as above, except the matter reported in 'Basis for Qualified opinion' above and Emphasis of Matter paragraph below, 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 Circulars, 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.

6. Emphasis of Matter Paragraph:

- (i) We draw attention to Note No. 4 to the financial results regarding the company has been incurring significant operational losses since earlier years, whereby the net worth of the company has been completely eroded. We have not been able to corroborate the Management's contention regarding preparation of financial results of the company on going concern basis, notwithstanding the fact that the company continue to incur cash losses, its net worth has been fully eroded, defaulted in repayment of principle and interest to its lenders, loans have been called back by secured lenders, non-current assets are significantly impaired, current liabilities exceeded the total assets of the company, etc., this conditions indicate the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as going concern. That appropriateness of assumption of going concern is critically dependent upon the company's ability to raise requisite finance/generate cash flows in future to meet its obligations.
- (ii) Note No. 3 of the attached financial results wherein the Company continued to present the financials of Tandur unit as discontinued operations which is not in accordance with Ind AS 105 as the specified period of one year from date of classification is completed and there exists no evidence for sale to be highly probable.



- (iii) The financial results wherein the confirmation/reconciliations of balances of secured and unsecured loans, balances with banks, trade payable, trade receivable, other payable and loans and advances have not been received and are subjected to reconciliation, review and adjustment thereof;
- (iv) Note No.7 of the financial results, for which no provision for impairment of financial assets has been made by the company as per Ind AS 109 for Assets included under "Assets held for sale and discontinued operations" pertaining to Claim of refund of interest subsidy made under TUFSS receivable of Rs. 1288.86 lakhs, Insurance claim receivable of Rs.337.87 lakhs accounted in earlier years pending acceptance by the Insurance company and Incentive receivable from Government of Telangana of Rs.740.09 lakhs pertaining to financial year 2013-14 to 2015-16 has not been recovered till the date of audit for which the management is of view that these financial assets are recoverable.
- (v) Note no.10 of the financial results, which describes the uncertainties and the possible effects of Covid-19 on the operations of the Company.

Our opinion is not qualified in respect of above matters.

For K C Bhattacharjee & Paul
Chartered Accountants
(ICAI FRN: 303026E)



(Manoj Kumar Bihani)
Partner
Membership No. 234629
UDIN: 20234629AAAACP1499

Place: Hyderabad
Date: 13.11.2020

