



Rajvir Industries Limited



Tradition of Innovation
Govt. Recognised Star Export House

Rajvir/Sec./SE/2020-21
15th September, 2020

Department of Corporate Services BSE,Limited, 1st Floor New Trading Ring,Rotunda Building, P.J. Towers, Dalal Street, Fort-Mumbai-400001	National Stock Exchange of India Ltd.,(NSE) Exchange Plaza, C-1, Block G,BandraKurla Complex, Bandra(E), Mumbai – 400 051.
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Ref. No.: 532665/RAJVIR

Sub: Outcome of Board meeting held on 15.09.2020

We are pleased to inform the Exchange that the meeting of the Board of Directors of Rajvir Industries Limited held on Tuesday, 15th September, 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 ended 30.06.2020 (Enclosed)

The meeting commenced at 3:30 pm and concluded at 5.40 p.m.

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

Thanking you
Yours truly
For Rajvir Industries Limited


Ritesh K. Agarwal
Managing Director
(DIN-00513341)



STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2020

S.No.	Particulars	(₹ In Lakhs except per share data)			
		Quarter Ended			Year ended
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		Un-Audited			Audited
	1	2	3	1	
1	a. Revenue from operations	181.37	586.04	1146.05	3393.96
	b. Other Income	1.70	-40.97	3.37	156.43
	Total Revenue (a+b)	183.07	545.07	1149.42	3550.39
2	Expenses				
	(a) Cost of materials consumed	50.60	276.38	591.30	1692.12
	(b) Purchase of stock-in-trade	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	404.10	337.51	82.23	406.70
	(d) Employee benefits expense	73.39	171.10	256.47	871.62
	(e) Finance costs	457.20	460.94	433.02	1770.24
	(f) Depreciation and amortisation expense	63.57	64.99	65.12	260.17
	(g) Other Expenses	129.16	368.82	373.24	1292.90
	Total Expenses	1178.02	1679.74	1801.38	6293.75
3	Profit before exceptional and extraordinary items and tax (1-2)	(994.95)	(1,134.67)	(651.96)	(2,743.36)
4	Exceptional items	-	-	-	-
5	Profit before extraordinary items and tax (3-4)	(994.95)	(1,134.67)	(651.96)	(2,743.36)
6	Extraordinary items	-	(188.76)	-	(188.76)
7	Profit before tax (5-6)	(994.95)	(945.91)	(651.96)	(2,554.60)
8	Tax expense				
	(i) Current tax	-	-	-	-
	(ii) Deferred tax	9.08	11.94	17.37	393.47
9	Net Profit / (Loss) from continuing operations for the period (7-8)	(1,004.03)	(957.85)	(669.33)	(2,948.07)
10	Profit/(loss) from discontinuing operations	(89.55)	(70.87)	(73.86)	(291.12)
11	Tax expenses/(income) of discontinuing operations	3.89	-7.39	1.86	44.85
12	Net Profit / (Loss) from discontinuing operations for the period (10-11)	(93.44)	(63.48)	(75.72)	(335.97)
13	Net profit/(loss) for the period (9-12)	(1,097.47)	(1,021.33)	(745.05)	(3,284.04)
14	Other Comprehensive Income				
	(i) (a) Items that will not be reclassified to profit or loss	(2.40)	13.05	(1.15)	9.60
	(b) Tax on items that will not be reclassified to profit or loss	0.62	(3.40)	0.30	(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	(1.78)	9.65	(0.85)	7.10
15	Total Comprehensive Income for the period (13+14)	(1,099.25)	(1,011.68)	(745.90)	(3,276.94)
16	Paid-up equity share capital (Face Value of ₹.10/- each)	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 ₹.10/- each) (not annualised):				
	(a) Basic	(25.13)	(23.98)	(16.75)	(73.80)
	(b) Diluted	-	-	-	-
18.ii	Earnings Per Share (for continuing and discontinuing operations) (of ₹.10/- each) (not annualised):				
	(a) Basic	(27.52)	(25.32)	(18.67)	(82.03)
	(b) Diluted	-	-	-	-

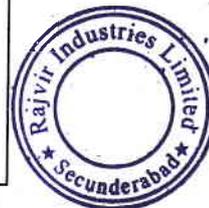
Note:

- 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 15 September, 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 :
 - (a) 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'.
 - (b) 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.
- 4) Deferred Tax Assets on losses has not been created for the year 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.
- 5) The figures for the quarter ended 31st March 2020 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto 3rd quarter of the financial year ended 31st March 2020. Also, the figure upto the end of the third quarter were only reviewed and not subjected to audit.
- 6) 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.
- 7) 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.
- 8) The 'Other Equity excluding Revaluation Reserves as per balance sheet of previous accounting year' as reporting for the year ended 31.03.2020 of Rs.(9763.41) lakhs, is to be adjusted for qualified opinion of the Statutory auditors (i) by increasing the negative reserves amounting to Rs.2366.82 lakhs on account of non provision of impairment on financial assets, which the management is of the view that the financial assets are recoverable and (ii) by decreasing the negative reserves amounting to Rs.208.81 lakhs for non accounting of profit on sale of a portion of land directly by bankers, on which the company has challenged and has filed a Securitisation Application pending before Honourable Debt Recovery Tribunal - II, Hyderabad, pending disposal. The adjusted opening 'Other Equity' after considering the above qualifications is Rs.(11921.42) lakhs.
- 9) The value of Changes in Inventory of finished goods/process stock for the quarter includes impairment/written off damaged stock of Rs.338.44 lakhs.
- 10) The Company has only single reportable business segment.
- 11) Previous period's / year's figures have been regrouped / rearranged wherever necessary.

For RAJVIR INDUSTRIES LIMITED

(RITESH KUMAR AGARWAL)
MANAGING DIRECTOR

Place: Secunderabad.
Date : 15th September, 2020



K. C Bhattacharjee & Paul.
Chartered Accountants

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 June 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



302 B, 11-4-169, ANH Apartments,
Bazarghat, Red Hills, Hyderabad-500004(Telangana)

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. Based on our review conducted as above, except the matter reported in 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.

5. Emphasis of Matter Paragraph:

(i) We draw attention to Note No. 3(b) 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 are 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, 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: 20234629AAAABT3966

Place: Hyderabad
Date: 15.09.2020

