

ARCOTECH LTD.

Regd. Office/Works: 181, Sector-3, Industrial Growth Center Bawal-123501, Distt. Rewari, Haryana
Ph.: 01284-264160 / 61, Fax: 01284-264022
CIN : L34300HR1981PLCO12151

July 31, 2020

Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001

Fax No. 022 2272 3121

Scrip ID: ARCOTECH, Scrip Code: 532914

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra(E), Mumbai-400051

Fax No. - 022-26598237/38

Symbol: ARCOTECH, Series: EQ

Sub: Outcome of Board Meeting held on Friday, July 31, 2020

Dear Sir

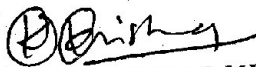
Pursuant to the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we wish to inform you that the Board of Directors of Arcotech Limited at their meeting held on Friday, July 31, 2020, inter alia, has approved the Annual Audited Standalone Financial Results along with Auditor's report, Declaration for audit Report with unmodified opinion for the Quarter and Financial Year ended 31st March, 2020 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 12:30 pm and concluded at 01:20 p.m.

This is for your kind reference and record.

FOR ARCOTECH LIMITED



KRISHAN KUMAR MISHRA
COMPANY SECRETARY & COMPLIANCE OFFICER

Encl:

1. Annual Audited Standalone financial Results
2. Independent Auditor Report
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, 2020 and the year to date results for the period 01 April 2019 to 31 March 2020, 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 and has not provided interest of Rs. 3507.91 lakhs for the current financial year and has reversed the interest for the previous financial year (from 01.11.2018 to 31.03.2019) amounting to Rs. 1101.48 lakhs.
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 5,871.42 lacs during the financial year ended 31 March 2020 (Previous Year loss of Rs 9,214.73 lacs). The turnover of Company during the financial year ended 31 March 2020 is Rs 7548.97 lacs (Previous Year Rs 45211.10 lacs). The current liabilities exceed current assets. Had the company provided for the interest and not reversed the earlier years interest as mentioned in para 3 above the net loss would have increased.

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 the 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 grade rating.

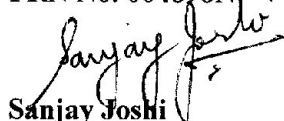
Our opinion is not modified in respect of this matter.

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: 20084687AAAAQR7094

Place : New Delhi

Date :31/07/2020



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ANNUAL AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020

SL NO.	Particulars	Quarter Ended			Year Ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Un Audited	Audited	Audited	Audited
1	Income					
	Revenue from operations	194.04	275.00	5254.11	7548.97	45211.10
	Other Income	31.14	24.17	73.78	116.71	227.80
	Total Income	225.18	299.17	5327.89	7665.68	45438.90
2	Expenses					
	(a) Cost of materials consumed	143.51	218.78	4340.69	7532.90	46748.33
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,652.82	466.05	3169.21	5615.61	2200.48
	(c) Employees benefits expense	60.51	44.06	118.53	266.10	658.70
	(d) Finance Cost	(1,461.13)	959.25	1603.01	1308.84	5808.64
	(e) Depreciation and amortisation expense	276.81	276.81	279.14	1107.22	1059.91
	(f) Other expenses	493.47	71.72	785.45	792.66	2666.10
	Total Expenses	1,165.99	2,036.67	10296.03	16623.33	59142.16
3	Profit/(Loss) before Exceptional items and tax (1-2)	(940.81)	(1,737.50)	(4,968.14)	(8,957.65)	(13,703.26)
4	Exceptional Items(Net)	-	-	-	-	-
5	Profit / (Loss) before Exceptional items and tax (3+4)	(940.81)	(1,737.50)	(4,968.14)	(8,957.65)	(13,703.26)
6	Tax Expenses:					
	(a) Current tax	0.00	0.00	0.00	0.00	0.00
	(b) Deferred tax	(620.94)	(484.30)	(1,621.48)	(3,086.23)	(4,488.53)
	(c) MAT credit entitlement	0.00	0.00	0.00	0.00	0.00
7	Profit/(Loss) for the period from continuing operations(5-6)	(319.87)	(1,253.20)	(3,346.66)	(5,871.42)	(9,214.73)
8	Profit/(Loss) for the period from discontinuing operations	-	-	-	-	-
9	Tax expenses of discontinuing operations (after tax)	-	-	-	-	-
10	Profit/Loss from Discontinuing operations (after tax) (8-9)	-	-	-	-	-
11	Profit/ (loss) for the period (7+10)	(319.87)	(1,253.20)	(3,346.66)	(5,871.42)	(9,214.73)
12	Other Comprehensive Income					
	A. (i) Items that will not be reclassified to profit or loss					
	Re-measurement of defined benefit plans	(1.03)	0.75	4.14	1.99	4.54
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.36	(0.28)	(1.46)	(0.70)	(1.60)
	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	Total Comprehensive Income for the period (11+12)(Comprising Profit (Loss) and Other comprehensive Income for the period)	(320.54)	(1,252.73)	(3,343.98)	(5,870.13)	(9,211.78)
14	Paid-up equity share capital	2,100.00	2,100.00	2100.00	2100.00	2100.00
15	Other Equity	-	-	-	-	-
16	Earnings per equity share (for continuing operation)(at Face Value Rs.2/-):	(0.30)	(1.19)	(3.19)	(5.59)	(8.78)
	(1) Basic	(0.30)	(1.19)	(3.19)	(5.59)	(8.78)
	(2) Diluted	(0.30)	(1.19)	(3.19)	(5.59)	(8.78)

R.P. 11-12

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Statement of Assets and Liabilities

Particulars	As At 31.03.2020 (Rs in lacs)	As At 31.03.2019 (Rs in lacs)
ASSETS		
Non-current assets		
Property, plant and equipment	18081.65	19,188.88
Capital work-in-progress	-	-
Financial assets		
Investments	0.96	12.46
Other financial assets	50.38	58.38
Deferred tax assets (net)	5838.21	2,552.68
Other non-current assets	780.47	742.28
Subtotal	24561.67	22,554.68
Current assets		
Inventories	5708.44	11,574.13
Financial assets		
Trade receivables	24262.01	28,299.19
Cash and cash equivalents	10.84	12.15
Other bank balances	101.74	209.51
Other current financial assets	9.50	9.09
Other current assets	8035.10	8,974.12
Subtotal	38127.63	49,078.19
Total Assets	62689.30	71,632.87
EQUITY AND LIABILITIES		
Equity		
Equity share capital	2100.00	2,100.00
Other equity	8832.32	13,998.74
Total equity	10932.32	16,098.74
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
Borrowings	219.43	2,801.93
Provisions	143.72	150.04
Deferred tax liabilities (Net)	-	-
Sub total	363.15	2,951.97
Current liabilities		
Financial Liabilities		
Borrowings:	37447.57	36,376.37
Trade payables		
- total outstanding dues of micro and small enterprises	4.34	1.27
- total outstanding dues other than micro and small enterprises	114.40	393.80
Other financial liabilities	9923.16	11,649.42
Other current liabilities	87.03	373.51
Current tax liabilities (net)	2550.52	2,522.75
Provisions	1266.81	1,265.04
Sub total	51393.83	52,682.16
Total Equity and Liabilities	62689.30	71,632.87

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 July 31, 2020. The results for the current quarter and year ended 31st March, 2020 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, 2020.
- 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: 31.07.2020

FOR ARCOTECH LIMITED

WHOLE TIME DIRECTOR
Din No: 01189370

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July 31, 2020

Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 Fax No. 022 2272 3121 <u>Scrip ID: ARCOTECH, Scrip Code: 532914</u>	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex. Bandra(E), Mumbai-400051 Fax No. - 022-26598237/38 <u>Symbol: ARCOTECH, Series: EQ</u>
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DECLARATION

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

Dear Sir,

I, R N Pattanayak, Whole Time Director of Arcotech Limited (CIN: L34300HR1981PLCO12151) ("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 31.03.2020.

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

R.N.P.
R N PATTANAYAK
WHOLE TIME DIRECTOR
DIN: 01189370