



JVL Agro Industries Ltd

(CIN L15140UP1989PLC011396)
(Under Corporate Insolvency Resolution Process)

16th March, 2020

National Stock Exchange of India Ltd
'Exchange Plaza', C-1, Block – G
Bandra – Kurla Complex
Bandra (E), Mumbai 400 051
CODE: JVLAGRO

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001
CODE: 519248

Dear Sirs,

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (LODR) – Un-audited Financial Results for the quarter ended 30th June, 2018

The Resolution Professional and Key Managerial Personnel of the Company in their meeting held to-day have adopted and taken on record un-audited standalone financial results of the Company, for quarter ended 30th June, 2018.

We request you to kindly take the enclosures on record.

Thanking you,

Yours sincerely,



SUPRIYO KUMAR CHAUDHURI
Resolution Professional for JVL Agro Industries Limited
IP Registration No. IBBI/PA-001 IP/P-00644/2017-18/11098
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C/O BDO India LLP
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41, Shakespeare Sarani,
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Encl: As Above

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To

The Management/Resolution Professional
JVL Agro Industries Limited
Varanasi

LIMITED REVIEW REPORT

1. We were engaged to review the accompanying statement of unaudited financial results of JVL Agro Industries Limited (the "Company") for the Quarter ended on 30th June, 2018 (the "Statement") being submitted by the Company pursuant to the requirement of Regulation of 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the Listing Regulations).
2. The preparation of the Statement 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 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, is the responsibility of the Company's Management under the direction of Resolution Professional and has been approved by the Resolution Professional with Key Managerial Personnel of the Company. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (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 requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. **Basis for Disclaimer of Conclusion**
 - a) The statement has been prepared on going concern basis. However-
 - i. Application filed by the financial creditor against the Company for initiation of Corporate Insolvency Resolution Process as per the Insolvency & Bankruptcy Code, 2016 was admitted by National Company Law Tribunal (NCLT), Allahabad Bench with effect from 25.7.2018 and Interim Resolution Professional and thereafter, Resolution Professional was appointed and affairs of the Company are being managed by Resolution Professional now. Resolution Professional has filed liquidation application before NCLT.





- ii. During the quarter ended 30th June, 2018, the Company has incurred a loss of Rs.336.64 crores and as on 30th June, 2018, the Company has negative retained earnings of Rs.987.80 crores and negative net worth of Rs.717.60 crores. Further the Company's current liabilities exceed its current assets. On account of its operational and financial position, the Company has delayed payments to various parties and dues to statutory authorities and interest on such delays is not determined.
- iii. The Company has made provision of 128.37 crores for impairment on Trade Receivable. Further, the Company has made provision of Rs.61.42 crores for doubtful debts on trade advances. The Company has accumulated losses and has also incurred significant losses during the period under review resulting in substantial erosion of its net worth. Furthermore, defaults in making repayment to the lenders led to downgrading its credit worthiness. Company's current liabilities have substantially exceeded its current assets. As on date, the Company has substantial disputed receivables, which are not readily realizable to service the Company's current liabilities. These conditions indicate the existence of an uncertainty that may cast a doubt on the Company's ability to continue as going concern. The appropriateness of assumption of going concern is dependent upon the Company's efforts to improve productivity and profitability so as to generate positive operating cash flows in future to meet its obligations and to earn profits consistently in future. Currently, there is not enough evidence to support this view.

Above factors might impact the aspect of going concern.

- b) We would like to draw your attention to Cost of Material Consumed at Rs.747.44 cores and Changes in Inventories at Rs.108.41 crores during the period under review. As per the Company's policy, inventories except scrap should have been valued at lower of cost and net realizable value. During the review, it has been observed that in many cases, raw material has been valued on the basis of FIFO method instead of Weighted Average Method. During review, it was observed that many of the finished goods has expired. However, finished goods has been valued at market price. Item wise working of net realizable value in any case was not made available to us. We are not able to comment on valuation of inventories due to unavailability of proper documents, information, explanations and reconciliations from the management.



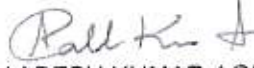


- c) We would also like to draw your attention to Finance Cost of Rs.17.38 crores and Other Expenses of Rs.226.17 crores. The Company has not booked interest charged by Standard Chartered Bank. Had it been booked, finance cost would have increased by Rs.1.86 crores, other expenses (prior period items) would have increased by Rs.14.97 crores. Consequently, loss for the period would have increased by Rs.16.83 crores and therefore, loss for the period under review would have been Rs.353.47 crores instead of 336.64 crores.
- d) As the Company is under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016, further impairment, if any, in the realizable value of the assets of the Company cannot be determined.

5. Disclaimer of Conclusion:

In view of the cumulative impact and significance of the matters described in the Basis for Disclaimer of Conclusion Section of our Report and in absence of sufficient appropriate audit evidence to provide a basis for a conclusion as to whether the accompanying statement of unaudited financial results contains any material misstatement or not. However, these are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').

For A K Agrawal & Co.
Chartered Accountants
ICAI Firm's Regn. No.018282C


AADESH KUMAR AGRAWAL
Partner
Membership. No. 410473
Kolkata – March 16, 2020
UDIN : 20410473AAAAAW9605



JVL AGRO INDUSTRIES LIMITED
(CIN: L15140UP1989PLC011396)

Regd. Off: Village Tilmapur, Ghazipur Road, Ashapur, Varanasi 221007, (U.P.)
Telephone No.: +91-542-2595930-32, Fax: +91-542-2595941
Standalone Unaudited Financial Results for the Quarter Ended June 30, 2018


(Rs. in Crore)

Sr. No.	Particulars	3 month ended 30/06/2018 (Unaudited)	Preceding 3 month ending 31/03/2018 (Audited)	Corresponding 3 month ended 30/06/2017 in the previous year (Unaudited)	Year to date figure for previous year ended 31/03/2018 (Audited)
I	Revenue from Operations	768.61	840.90	843.56	3,190.21
II	Other Income	3.44	4.66	-	17.05
III	Total Income	772.05	845.56	843.56	3,207.26
IV	EXPENSES				
	(a) Cost of Materials Consumed	747.44	1,072.27	701.00	3,188.10
	(b) Purchase of Stock-in-Trade	-	49.91	20.06	102.77
	(c) Changes in Inventories	108.41	-13.26	78.24	28.79
	(d) Employees Benefit Expenses	4.22	3.26	3.25	12.25
	(e) Finance Costs	17.38	26.87	17.50	93.92
	(f) Depreciation and Amortisation Expenses	5.08	5.55	5.15	19.80
	(g) Other Expenses	226.17	42.42	17.50	86.71
	Total Expenses	1,108.69	1,187.02	842.70	3,532.34
V	Profit Before Exceptional Items and Tax (III - IV)	-336.64	-341.46	0.86	-325.08
VI	Exceptional Items			7.03	
VII	Profit Before Tax (V - VI)	-336.64	-341.46	7.89	-325.08
VIII	Tax Expenses				
	(a) Current Tax	-	-0.85	-0.50	-
	(b) Deferred Tax	-	-405.35	-	-405.35
	Total Tax Expense	-	-406.20	-0.50	-405.35
IX	Profit / (Loss) for the Year (VII - IX)	-336.64	64.74	7.39	80.27
X	Other Comprehensive Income				
	A (i) Items that will not be reclassified to statement of profit or loss	-	-	-	-
	(ii) Income Tax relating to items that will not be reclassified to statement of profit or loss	-	-	-	-
	B (i) Items that will be reclassified to statement of profit or loss	-	-0.07	-0.02	-
	(ii) Income Tax relating to items that will be reclassified to statement of profit or loss	-	-	-	-
	Other Comprehensive Income for the Year	-	-0.07	-0.02	-
XI	Total Comprehensive Income / (Loss) for the Year (IX + X)	-336.64	64.67	7.37	80.27
	Paid-up Equity Share Capital (Face Value Re 1 each)	16.79	16.79	16.79	16.79
	Earnings per Equity Share (Face Value Re 1 each)				
	Basic (Rs.)	-20.05	3.85	0.44	4.78
	Diluted (Rs.)	-20.05	3.85	0.44	4.78

Notes:

- The above results have been reviewed and taken on record at the RP & KMP meeting of the Company held on 16th March, 2020. The Statutory Auditors of the Company have carried out a Limited Review of the aforesaid results.
- The figures of the quarter ended 31st March, 2018 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published year to date figures upto the third quarter of the financial year 2017-18 which were subjected to limited review.
- The figures for the previous periods have not been regrouped/rearranged in line with the grouping of the current year.
- The Company is currently in the Corporate Insolvency Resolution Process vide the order of the Hon'ble NCLT, Allahabad dated 25.7.2018. After the approval of the DDC, the NCLT has appointed Mr. Supriyo Kumar Chaudhary as the Resolution Professional w.e.f. 10.9.2018 in place of IRP Mr. Avishak Gupta.

Date : 10.03.2020
Place : Kolkata

For JVL Agro Industries Limited

Ramesh Chander Garg
Chief Financial Officer

