



VRL/SEC/EXCHANGE

21.08.2020

National Stock Exchange of India Ltd. 5 th Floor, Exchange Plaza Bandra (E), Mumbai- 400 051 Script Code: VENUSREM	Dept. of Corporate Services The Stock Exchange, Mumbai 25 th Floor, Phiroze Jeejeebhoy Towers Dalal Street Mumbai Script Code: 526953
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Sub: Submission of Audited Financial results for the quarter & year ended on 31.03.2020


Dear Sir/Madam,

Please find enclosed herewith Audited Financial Results for the quarter & year ended on 31.03.2020 along with Audit Report and statement of audit qualification which were taken on record by the Board of Directors at its meeting held on 21.08.2020.

Kindly acknowledge the receipt.

Thanking you.

**Yours faithfully,
for VENUS REMEDIES LIMITED**


(Authorised Signatory)

VENUS REMEDIES LIMITED

Corporate Office :
51-52, Industrial Area, Phase- I, Panchkula (Hry.) 134113, India

Regd. Office :
SCO 857, Cabin No. 10, 2nd Floor, NAC, Manimajra,
Chandigarh (U.T.) 160101, India

Website : www.venusremedies.com

www.vmrindia.com

email : info@venusremedies.com

CIN No. : L24232CH1989PLC009705

Unit-I :
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Unit-II :
Hill Top Industrial Estate, Jharmajri EPIP, Phase-I, (Extn.),
Bhatoli Kalan, Baddi (H.P.) 173205, India
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Unit-V :
VENUS DHARMA GmbH
AM Bahnhof 1-3, D-59368, Werne, Germany

Independent Auditor's Report on Standalone Quarterly and Year ended financial results of the VENUS REMEDIES LIMITED pursuant to the regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended

To
**The Board of Directors of
VENUS REMEDIES LIMITED**

Qualified Opinion

1. We have audited the accompanying Standalone Financial Results of **VENUS REMEDIES LIMITED** ("the Company"), for the Quarter and Year ended 31st March 2020 ("the Statement, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effects described in the Basis for Qualified Opinion section of our report, these quarterly standalone financial results:
 - i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard and
 - ii. give a true and fair view in conformity with the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the net loss and other comprehensive loss and other financial information of the company for the quarter and year ended 31 March 2020.

3. Basis for Qualified Opinion

- (a) The lenders of the company has approved corporate debt restructuring package of the company in financial year 2014-15. However, the company has defaulted in repayment of borrowing to lenders and was unable to comply with terms of repayment approved by lenders in corporate debt restructuring package.

The Company has delayed in repayment of loans or borrowings to banks which were persisting as on 31 March, 2020. Total of Rs. 631.9 Million is the outstanding amount for repayment which includes principal Rs. 397.8 Million and Interest Rs. 234.1 Million as on 31st March 2020.

The company has not provided interest expenses of Rs 30.26 million and Rs. 121.49 million for the quarter and year ended March 31, 2020 respectively and Rs.113.39 million for the Financial Year 2018-19 on loans for which interest is not applied by the banks and not reflected in bank statement.

As a result, interest expenses of Rs 30.26 million and Rs. 121.49 million have been less provided in the books for the quarter and year ended 31st March, 2020 respectively.
(Refer Note no.3 to the Statement)

- (b) The Company has not translated carrying balances of Foreign Currency Convertible bond at rates prevalent as on 31st March, 2020. Finance cost of Rs. 27.07 million and 13.84 million for quarter ended 31st March, 2020 and for the period 1st April 2019 to 31st December, 2019 respectively. As result Finance cost of Rs 27.07 million and Rs.40.91million have been less provided in the books for the quarter and Year ended March 31, 2020.

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5077-798



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Further, the company has not provided interest expenses of Rs 4.96 Million and Rs. 14 million on Foreign Currency Convertible bond for the Quarter ended 31st March 2020 and for the period 1st April 2019 to 31st December, 2019 respectively.

As a result, interest expenses of Rs 4.96 million and Rs. 18.96 million have been less provided in the books for the quarter and Year ended 31st March, 2020 respectively

Interest expense of Rs 68.60 Million provided for previous years have been reversed in the quarter ended 31st March, 2020 and shown in profit & Loss statement under exceptional item

We further report that the matters referred in point 3(a) was also qualified in the audit report on the standalone financial results for the quarter and year ended 31st March, 2019 and Limited Review Report for the quarter ended 30th June, 2019, 30th September, 2019 and 31st December 2019. The matter referred in point 3 (b) above was also qualified in the Limited Review Report for the quarter ended 30th September, 2019 and quarter ended 31st December 2019.

We further report had the qualification made by us in paragraph point 3 (a) and (b) above been considered during the quarter and Year ended 31st March, 2020, finance costs would have been Rs 43.51 million and Rs.311.83 million for the quarter and Year ended 31st March, 2020 respectively (as against the reported figure of Rs. (18.79) Million and Rs 130.46 million for the quarter and Year ended 31st March, 2020, 2019 respectively), the loss for the quarter and Year ended 31st March, 2020 would have been Rs (198.34) million and Rs.(332.23) million respectively (as against the reported figure of Loss of Rs (67.44)million and Loss of Rs.(82.26) million for the quarter and Year ended 31st March, 2020 respectively) and Long term Borrowings as on 31stMarch, 2020 would have been Rs. 851.09 million (as against the reported figure of Rs.722.61 million).

We conducted our audit of standalone Financial results in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial result section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone Financial Results.

Management Responsibilities for Standalone Financial Results

4. This Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for preparation and presentation of the statement that gives a true and fair view of the net profit and other comprehensive income of the company and other financial information in accordance with applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring accuracy and completeness of accounting records, relevant to the preparation and presentation of the statement that gives a true and fair view and are free from material misstatement, whether due to fraud or error.
5. In preparing the statement, the Board of Directors are responsible for assessing company's ability to continue as a going concern and using going concern basis of accounting unless the Board of directors either intends to liquidate the company or to cease the operations, or has no realistic alternative but to do so.
6. The Board of Directors are responsible for overseeing Company's financial reporting process.



Auditors Responsibilities for the audit of Standalone Financial Results

7. Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial Results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Standalone Ind AS financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Standalone Ind AS financial results in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Standalone Ind AS financial results, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during the audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical regarding independence, and to communicate with them all relationship and other matters that reasonably be thought to bear on our independence and where applicable, related safeguards.

M. G. J. S.



Other Matter

11. The statement includes the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Vinod Kumar & Associates

Chartered Accountants (ERN: 002304N)




Mukesh Dadhich

Partner

M. No.: 511741

UDIN: 20511741AAAID4726

Date: 21st August, 2020

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2020
(₹ In Millions)

S. No.	PARTICULARS	QUARTER ENDED ON			YEAR ENDED ON	
		31/03/2020	31/12/2019	31/03/2019	31/03/2020	31/03/2019
		Audited	Unaudited	Audited	Audited	Audited
1	Revenue					
	(a) Revenue from Operations	792.22	922.34	863.7	3223.6	3018.42
	(b) Other Income	8.21	16.06	37.95	35.79	45.07
	Total Income	800.43	938.4	901.65	3,259.39	3,063.49
2	Expenses					
	(a) Cost of Material Consumed	385.60	568.96	580.58	1705.97	1897.54
	(b) Changes in Inventories of finished goods, work-in-progress, Stock in Trade	29.83	(31.32)	-15.45	62.11	(79.80)
	(c) Employee benefits expense	97.15	84.86	87.40	337.88	302.61
	(d) Finance Cost	(18.79)	40.05	-	130.48	251.48
	(e) Depreciation & amortization expense	82.22	82.28	82.50	310.51	329.53
	(f) Selling, Manufacturing and Administrative expenses	191.87	144.89	133.89	544.44	408.53
	(g) Research & Development expenses	43.91	35.54	48.33	142.52	146.53
	Total Expense	771.80	926.06	917.25	3,233.89	3,256.80
3	Profit before exceptional items and taxes (1-2)	28.63	13.34	(15.60)	25.50	(193.01)
	Adjusted EBITDA (3+2d+2e)	72.26	135.87	96.37	466.47	417.45
4	Exceptional Items	(88.12)	-	(89.61)	(88.12)	(89.61)
5	Profit before tax (3 +/- 4)	(59.29)	13.34	(105.21)	(62.62)	(282.52)
6	Income Tax Expense /Deferred Tax(Benefits)	9.15	9.88	(1.03)	(19.84)	11.51
7	Net Profit / (Loss) for the period (5- 6)	(67.44)	3.49	(104.18)	(82.26)	(271.11)
8	Other Comprehensive Income (Net of taxes)					
A	(I) Items that will not be classified to profit & loss	(4.72)	-	0.70	(4.72)	0.70
B	(II) Items that will be classified to profit & loss	-	-	-	-	-
	Total other comprehensive income Net of Income Tax	(4.72)	-	0.70	(4.72)	0.70
9	Total comprehensive income for the period (7+/-8)	(72.16)	3.49	(103.48)	(86.98)	(270.41)
10	Paid up equity share capital (Face Value of Equity Shares)	123.42	123.42	123.42	123.42	123.42
11	Other Equity	10	10	10	10	10
12	Earning per share (of Rs. 10/- each) (Not annualized)				3,199.11	3,286.10
	(a) Basic	(5.46)	0.28	(8.44)	(6.67)	(21.97)
	(b) Diluted	(5.46)	0.28	(8.44)	(6.67)	(21.97)

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Statement of Standalone Assets and Liabilities

Particulars	₹ In Millions	
	As at 31/03/2020 (Audited)	As at 31/03/2019 (Audited)
ASSETS		
Non-current assets		
(a) Property, Plant & Equipment	1674.09	1801.56
(b) Capital work in progress	246.31	647.64
(c) Intangible assets	1040.63	1667.32
(d) Financial Assets		
(i) Investment	1.39	1.39
(ii) Other Non Current Financial Assets	315.70	304.82
(e) Other non-current assets	325.12	382.94
Total non current assets	3603.24	4785.67
Current assets		
(a) Inventories	1364.4	1409.37
(b) Financial Assets		
(i) Trade receivables	297.79	313.94
(ii) Cash and cash equivalents	12.58	4.99
(iii) Bank Balances other than (ii) above	1.83	7.77
(iv) Other financial assets	5.53	62.36
(c) Current Tax Assets	285.38	284.61
(d) Other Current Assets	291.38	452.84
(e) Assets held for sale	520.00	0
Total current assets	2778.89	2535.88
Total Assets	6382.13	7321.55
EQUITY AND LIABILITIES		
(a) Equity Share capital	123.42	123.42
(b) Other Equity	3199.11	3,286.10
Total equity	3322.53	3409.52
Liabilities		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	722.61	1160.84
(ii) Other financial liabilities	2.94	4.54
(b) Provisions	68.29	53.24
(c) Deferred tax liabilities (net)	168.48	148.62
Total non-current liabilities	960.30	1367.44
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	814.23	1089.19
(ii) Trade payables		
(a) Total outstanding dues of micro and small enterprises	17.62	29.26
(b) Total outstanding dues of creditors other than micro and small enterprises	322.00	304.87
(iii) Other financial liabilities	935.48	1067.00
(b) Other Current Liabilities	3.91	9.08
(c) Provisions	6.06	45.19
Total Current liabilities	2099.3	2544.59
Total equity and liabilities	6382.13	7321.55

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STANDALONE STATEMENT OF CASH FLOW FOR THE PERIOD ENDED ON 31st March 2020

		(₹ in Million)	
PARTICULARS		Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax & exceptional items		
	Adjustment for Depreciation	25.49	(193.01)
	Interest Expense	310.51	329.53
	Increase in long term provision for gratuity and leave encashment	114.15	220.61
	Provision for doubtful debts	8.34	8.96
	Adjustment reversing effect on profit of non-cash non-operating activities	0.00	29.47
	Exchange Fluctuation		17.52
	Interest Received	(25.84)	(11.19)
	Operating Profit before working capital changes	(3.31)	(2.90)
	Adjustments for increase /decrease in Current Assets	429.34	398.98
	Decrease / Increase in Current Liabilities/ Provisions	304.48	(193.22)
	Extraordinary Items	(106.69)	230.72
	Net Cash Flow from operating activities (A)	144.40	436.48
B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase/Sale /Impairment of PPE		
	Interest Received	(76.64)	(99.13)
	Proceeds from loans and advances	3.31	2.90
	Net Cash Flow from Investing Activities (B)	28.93	(16.50)
C)	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Security Deposit (Net)		
	Proceeds from Term Loan (Net)	(1.61)	(0.48)
	Proceeds from Short term Borrowing(Net)	(332.79)	(43.18)
	Interest Expense	(274.95)	(83.06)
		(114.15)	(220.61)
	Net Cash from Financing Activities (C)	(723.49)	(347.35)
	Net Increase in Cash & Cash Equivalents (A+B+C)	1.64	(23.60)
	Cash & Cash Equivalents as at 31.03.2019		(23.60)
	Cash & Cash Equivalents as at 31.03.2020	12.77	
	Cash & Cash Equivalents as at 31.03.2018	14.40	
	Cash & Cash Equivalents as at 31.03.2019		36.37
			12.77

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Notes to the financial results:-

1. The above audited Standalone Financial Results have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors at their meeting held on August 21, 2020. The statutory auditors of the company have carried out audit of the above Standalone Financial Statement Results for the quarter and year ended March 31, 2020 pursuant to Regulation 33 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.
2. The financial results are prepared in accordance with the Indian Accounting Standards (IND-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
3. The lenders of the company had approved corporate debt restructuring package of the company in financial year 2014-15. However, the company has defaulted in repayment of borrowing to lenders and was unable to comply with terms of repayment approved by lenders in corporate debt restructuring package. The Company has delayed in repayment of loans or borrowings to banks which were persisting as on 31 March, 2020. Total of Rs. 631.9 Million is the outstanding amount for repayment which include principal Rs. 397.8 Million and Interest Rs. 234.1 Million as on 31 st March 2020.

The company has not provided interest expenses of Rs 30.26 million and Rs. 121.49 million for the quarter and year ended March 31, 2020 respectively and Rs.113.39 million for the Financial Year 2018-19 on loans for which interest is not applied by the banks and not reflected in bank statement. As a result, interest expenses of Rs 30.26 million and Rs. 121.49 million have been less provided in the books for the quarter and year ended 31st March, 2020 respectively. The company is in discussion with all the lenders to settle the outstanding dues.







4. The capital work in progress consists of new office building under construction .The construction work on the building was stopped in previous years. During the year company has carried out impairment study of capital work in progress . As per the impairment study report, there is impairment loss of Rs.401.63 Million shown in statement of Profit & Loss under Exceptional item on Impairment of Capital work in progress.
5. The Company has adopted IND AS -116 "Leases" effective from 01.04.2019. There is no effect to the financial results for the period.
6. During the year, the Company signed for sale of its novel and patented anti-infective product, Elores with Cipla Limited. The deal includes the transfer of Intellectual Property rights such as trademarks, design and know-how related to the brand. The transaction is subject to fulfilment of certain completion conditions and both parties would be working together to complete this. The Identifiable Assets as per the term of the deal have been recognised and classified as assets held for sale as per the IND - AS 105
7. In March 2020, the World Health Organisation declared COVID 19 to be a pandemic. Due to Pandemic the operations were temporarily disrupted at manufacturing site, warehouse and distribution at various locations across India. Further, Domestic and Export businesses were also temporarily disrupted experiencing partial or complete lockdown in the last week of March 2020. The Company has considered internal and external information while finalizing various estimates in relation to its financial statement upto the date of approval of the financial statements by the Board of Directors. The Company has evaluated its liquidity position and of recoverability and carrying values of its assets and has concluded that no material adjustments are required at this stage in the financial results. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID-19 situation evolves in India and globally. The Company will continue to closely monitor any material changes to future economic conditions. The Company have partially resumed operations after taking into account directives from the Government.

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8. Figures of the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures in respect of the full financial year and published unaudited year to date figures up to the third quarter of the relevant financial year.
9. Previous year / period figures have been regrouped/ reclassified wherever necessary.
10. The Company has only one reportable segment namely "Pharmaceuticals"

For and on behalf of Board of Directors
For VENUS REMEDIES LIMITED


Pawan Chaudhary

(Managing Director)

Din: 00435503

Date: 21-08-2020




Independent Auditor's Report on Consolidated Quarterly and Year ended financial results of the VENUS REMEDIES LIMITED pursuant to the regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended

To
The Board of Directors of
VENUS REMEDIES LIMITED

Qualified Opinion

1. We have audited the accompanying statement of Consolidated Financial Results of **VENUS REMEDIES LIMITED ("the Parent")** and its subsidiary (collectively referred to as 'the Group'), for the Quarter and Year ended 31st March 2020 ("the Statement, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended
2. In our opinion and to the best of our information and according to the explanations given to us except for the effects/possible effects described in the Basis for Qualified Opinion and based on the consideration of the report of other auditor on separate audited financial results of the Subsidiary referred to in Other Matters section below, the Statement :
 - i. includes the financial results of the following Subsidiary:
 - a. Venus Pharma GmbH
 - ii. is presented in accordance with the requirements of Listing Regulations in this regard, and
 - iii. give a true and fair view in conformity with the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the consolidated net loss and other comprehensive loss and other financial information of the Group for the quarter and year ended 31 March 2020.

3. Basis for Qualified Opinion

- (a) The lenders of the parent company has approved corporate debt restructuring package of the company in financial year 2014-15. However, the parent company has defaulted in repayment of borrowing to lenders and was unable to comply with terms of repayment approved by lenders in corporate debt restructuring package. The Parent Company has delayed in repayment of loans or borrowings to banks which were persisting as on 31 March, 2020. Total of Rs. 631.9 Million is the outstanding amount for repayment which includes principal Rs. 397.8 Million and Interest Rs. 234.1 Million as on 31 st March 2020.

The Parent company has not provided interest expenses of Rs 30.26 million and Rs. 121.49 million for the quarter and year ended March 31, 2020 respectively and Rs.113.39 million for the Financial Year 2018-19 on loans for which interest is not applied by the banks and not reflected in bank statement.

As a result, interest expenses of Rs 30.26 million and Rs. 121.49 million have been less provided in the books for the quarter and year ended 31st March, 2020 respectively.
(Refer Note no.4 to the Statement)

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- (b) Parent Company has not translated carrying balances of Foreign Currency Convertible bond at rates prevalent as on 31st March, 2020. Finance cost of Rs 27.07 million and 13.84 million for quarter ended 31st March, 2020 and for the period 1st April 2019 to 31st December, 2019 respectively.

Further, the parent company has not provided interest expenses of Rs 4.96 Million and Rs. 14 million on Foreign Currency Convertible bond for the Quarter ended 31st March 2020 and for the period 1st April 2019 to 31st December, 2019 respectively.

As a result, interest expenses of Rs 4.96 million and Rs. 18.96 million have been less provided in the books for the quarter and Year ended 31st March, 2020 respectively

Interest expense of Rs 68.60 Million provided for previous years have been reversed in the quarter ended 31st March, 2020 and shown in profit & Loss statement under exceptional item.

We further report that the matters referred in (a) was also qualified in the audit report on the Consolidated financial results for the quarter and year ended 31st March, 2019 and Limited Review Report for the quarter ended 30th June, 2019, 30th September, 2019 and 31st December 2019. The matter referred in (b) above was also qualified in the Limited Review Report for the quarter ended 30th September, 2019 and quarter ended 31st December 2019.

We further report had the qualification made by us in paragraph (a) and (b) above been considered during the quarter and Year ended 31st March, 2020, finance costs would have been Rs 44.13 million and Rs.314.74 Million for the quarter and Year ended 31st March, 2020 respectively (as against the reported figure of Rs. (18.17) Million and Rs 133.37 million for the quarter and Year ended 31st March, 2020, 2019 respectively), the loss for the quarter and Year ended 31st March, 2020 would have been Rs (184.70) million and Rs.(349.95) million respectively (as against the reported figure of loss of Rs (53.8) million and Loss of Rs(99.98) million for the quarter and Year ended 31st March, 2020respectively) and Long term Borrowings as on 31stMarch, 2020 would have been Rs. 853.75 million (as against the reported figure of Rs.725.27 million).

We conducted our audit of the consolidated financial results in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the Consolidated Financial Results.

Management Responsibilities for Consolidated Financial Results

4. This Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of consolidated financial results. The Board of Directors of the Holding Company are responsible for preparation and presentation of the statement that gives a true and fair view of the Consolidated Net Profit other comprehensive income of the Group and other financial information in accordance with applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the statement that gives a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

The block contains a handwritten signature in black ink and a circular stamp. The stamp is blue and contains the text 'DCLPA' in the center, with 'Chartered Accountants' written around the perimeter.

5. In preparing the statement, the respective Board of Directors included in the group are responsible for assessing group's ability to continue as a going concern and using going concern basis of accounting unless the Board of directors either intends to liquidate the company or to cease the operations, or has no realistic alternative but to do so.
6. The respective Board of Directors/ management of the company included in the Group, are responsible for overseeing the financial reporting process of the company included in the Group.

Auditors Responsibilities for the audit of Consolidated Financial Results

7. Our objectives are to obtain reasonable assurance about whether the statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial Results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to financial results in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the statements, including the disclosures, and whether the statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during the audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical regarding independence, and to communicate with them all relationship and other matters that reasonably be thought to bear on our independence and where applicable, related safeguards.



11. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29th March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

Other Matter

12. We did not audit the financial results of the subsidiary included in the statement whose financial results / financial information reflect total assets of Rs.457.01 million as at 31st March, 2020, total revenues of Rs.849.64 Million, total net (loss) after tax of Rs(17.72) Million, and net cash flows amounting to Rs.9.04 Million for the year ended on that date, as considered in the consolidated financial results. These financial results have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the audit report of such other auditor, and the procedures performed by us as stated in paragraph 8 above.

Further, subsidiary is located outside India, whose financial results have been prepared in accordance with accounting principles generally accepted in India, and which have been audited by other auditor under standard of auditing applicable in India. Our opinion, in so far as it relates to the balances and affairs of the subsidiary, is based on the audit report of other auditor.

Our opinion on the Consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

13. The Consolidated Financial Results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Vinod Kumar & Associates
Chartered Accountants (ERN: 002304N)


Mukesh Dadhich

Partner

M. No.: 511741

UDIN: 20511741AAAAIE2517

Date: 21st August, 2020



STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2020
(₹ In Millions)

S. No.	PARTICULARS	QUARTER ENDED ON			YEAR ENDED ON	
		31/03/2020	31/12/2019	31/03/2019	31/03/2020	31/03/2019
		Audited	Unaudited	Audited	Audited	Audited
1	Revenue					
	(a) Revenue from Operations					
	(b) Other Income	830.64	968.59	904.43	3414.63	3218.92
	Total Income	13.67	17.73	42.92	53.08	60.94
		844.31	986.32	947.35	3,467.71	3,279.86
2	Expenses					
	(a) Cost of Material Consumed	274.51	622.78	579.67	1684.55	1896.74
	(b) Changes in Inventories of finished goods, work-in-progress, Stock in Trade	68.25	(71.59)	-8.36	58.55	(77.19)
	(c) Employee benefits expense					
	(d) Finance Cost	131.18	115.85	114.19	460.21	421.02
	(e) Depreciation & amortization expense	(18.17)	40.66	-	133.37	254.05
	(f) Selling, Manufacturing and Administrative expenses	64.72	84.77	84.56	320.12	339.80
	(g) Research & Development expenses	237.44	158.17	155.03	660.61	506.57
	Total Expense	43.91	35.54	48.33	142.52	146.53
		801.84	986.08	973.42	3,469.93	3,487.52
3	Profit before exceptional items and taxes (1-2)	42.47	0.24	(26.07)	7.78	(207.66)
	Adjusted EBITDA (3+2d+2e)					
4	Exceptional items	89.02	126.67	58.49	461.27	415.66
5	Profit before tax (3 +/- 4)	(88.12)	-	(89.61)	(88.12)	(89.61)
6	Income Tax Expense /Deferred Tax(Benefits)	(45.65)	0.24	(115.68)	(80.34)	(297.27)
7	Net Profit / (Loss) for the period (5- 6)	8.15	9.86	(1.03)	19.84	11.51
8	Other Comprehensive Income (Net of taxes)	(53.80)	(9.62)	(114.65)	(99.98)	(285.76)
A	(i) Items that will not be classified to profit & loss					
B	(ii) Items that will be classified to profit & loss	(4.72)	(0.10)	0.70	(4.72)	0.70
	Total other comprehensive income Net of Income Tax	-	-	-	-	-
9	Total comprehensive income for the period (7+/-8)	(4.72)	-	0.70	(4.72)	0.70
		(58.52)	(9.72)	(113.95)	(104.70)	(285.06)
10	Paid up equity share capital (Face Value of Equity Shares)	123.42	123.42	123.42	123.42	123.42
11	Other Equity	10	10	10	10	10
12	Earning per share (of Rs. 10/- each) (Not annulized)	-	-	-	3,110.28	3,201.82
	(a) Basic					
	(b) Diluted	(4.36)	(0.76)	(9.29)	(8.10)	(23.15)
		(4.36)	(0.76)	(9.29)	(8.10)	(23.15)



Statement of Consolidated Assets and Liabilities		
Particulars	(₹ in Millions)	
	As at 31/03/2020 (Audited)	As at 31/03/2019 (Audited)
ASSETS		
Non-current assets		
(a) Property, Plant & Equipment		
(b) Capital work In progress	1839.39	1964.39
(c) Intangible assets	248.31	647.64
(d) Financial Assets	1054.30	1680.10
(i) Other Non Current Financial Assets	32.55	18.85
(e) Other non-current assets	325.12	382.94
Total non current assets	3497.67	4673.92
Current assets		
(a) Inventories		
(b) Financial Assets	1411.24	1427.25
(i) Trade receivables		
(ii) Cash and cash equivalents	306.91	380.41
(iii) Bank Balances other than (ii) above	19.42	20.33
(iv) Other financial assets	1.83	7.77
(c) Current Tax Assets	14.48	55.66
(d) Other Current Assets	285.38	284.61
(e) Assets held for sale	320.26	478.3
Total current assets	520	
Total Assets	6377.19	7328.25
EQUITY AND LIABILITIES		
(a) Equity Share capital		
(b) Other Equity	123.42	123.42
Total equity	3110.28	3201.82
Liabilities	3233.70	3925.24
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings		
(ii) Other financial liabilities	720.53	1160.18
(b) Provisions	2.94	4.54
(c) Deferred tax liabilities (net)	66.30	53.24
Total non-current liabilities	168.46	148.81
Current liabilities	958.23	1366.77
(a) Financial Liabilities		
(i) Borrowings		
(ii) Trade payables	855.78	1128.04
(a) Total outstanding dues of micro and small enterprises		
(b) Total outstanding dues of creditors other than micro and small enterprises	17.62	29.26
(iii) Other financial liabilities	349.33	330.77
(b) Other Current Liabilities	949.43	1092.64
(c) Provisions	7.08	10.14
Total Current liabilities	6.06	45.19
Total equity and liabilities	2185.26	2638.24
	6377.19	7328.25

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CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD ENDED ON 31ST MARCH 2020

(₹ In Millions)

PARTICULARS		Figures as at the end of 31.03.2020	Figures as at the end of 31.03.2019
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax & extraordinary items	7.77	(207.65)
	Adjustment for Depreciation	320.12	339.80
	Interest Expense	116.63	223.20
	Profit/Loss from sale of fixed asset	0.00	0.00
	Increase in long term provision for gratuity and leave encashment	8.34	8.96
	Provision for doubtful debts	0.00	29.47
	Adjustment reversing effect on profit of non-cash non-operating activities	0.00	17.51
	Exchange Fluctuation	(26.04)	(9.29)
	Interest Received	(3.40)	(2.42)
	Operating Profit before working capital changes	423.42	399.59
	Adjustments for increase /decrease in Current Assets	110.69	(257.63)
	Decrease / Increase in Current Liabilities/ Provisions	91.59	311.31
	Extraordinary items	144.40	0.00
	Net Cash Flow from operating activities (A)	770.10	453.27
B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase/Sale of PPE	(77.81)	(99.24)
	Interest Received	3.40	2.42
	Proceeds from loans and advances	26.93	(16.50)
	Net Cash Flow from Investing Activities (B)	(47.48)	(113.32)
C)	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Security Deposit (Net)	(1.61)	(0.48)
	Proceeds from term Loans (Net)	(334.42)	(44.91)
	Proceeds from Short term Borrowing(Net)	(274.95)	(83.08)
	Interest Expense	(116.63)	(223.20)
	Advance Given	(2.41)	-
	Net Cash from Financing Activities (C)	(730.02)	(351.67)
	Net Increase in Cash & Cash Equivalents (A+B+C)	(7.41)	(11.72)
	Unrealised Loss/(gain) on foreign currency cash and cash equivalents	0.56	0.00
	Cash & Cash Equivalents as at 31.03.2019	28.10	39.83
	Cash & Cash Equivalents as at 31.03.2020	21.25	28.10

Signature



Signature


Notes to the Consolidated financial results:-

1. The above Consolidated Financial Results have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors of the parent company at their meeting held on August 21, 2020. The statutory auditor of the company have audited the above Financial Results.
2. The consolidated financial results are prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standards (IND-AS) 34 "Interim Financial reporting", prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
3. The cash flow statement has been prepared in accordance with 'Indirect method as set out in the Ind AS 7 on 'Cash Flow Statements', as specified in the Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.
4. The lenders of the parent company had approved corporate debt restructuring package of the company in financial year 2014-15. However, the parent company had defaulted in repayment of borrowing to lenders and was unable to comply with terms of repayment approved by lenders in corporate debt restructuring package. The Parent Company has delayed in repayment of loans or borrowings to banks which were persisting as on 31 March, 2020. Total of Rs. 631.9 Million is the outstanding amount for repayment which includes principal Rs. 397.8 Million and Interest Rs. 234.1 Million as on 31st March 2020. The company has not provided interest expenses of Rs 30.26 million and Rs. 121.49 million for the quarter and year ended March 31, 2020 respectively and Rs.113.39 million for the Financial Year 2018-19 on loans for which interest is not applied by the banks and not reflected in bank statement. As a result, interest expenses of Rs 30.26 million and Rs. 121.49 million have been less provided in the books for the quarter and year ended 31st March, 2020 respectively.









5. The capital work in progress consist of new office building under construction. The construction work on the building was stopped in previous years. During the year Parent company has carried out impairment study of the said capital work in progress. As per the impairment study report, there is impairment loss of Rs.401.63 Million shown in statement of Profit & Loss under Exceptional item on impairment of Capital work in progress.
6. During the year, the Holding Company signed for sale of a novel and patented anti-infective product, Elores with Cipla Limited. The deal includes the transfer of intellectual Property rights such as trademarks, design and know-how related to the brand. The transaction is subject to fulfilment of certain completion conditions and both parties would be working together to complete this. The identifiable assets as per the term of the deal have been recognised and classified as Assets Held for sale as per IND – AS 105
7. In March 2020, the World Health Organisation declared COVID 19 to be a pandemic. Due to Pandemic the operations were temporarily disrupted at manufacturing site, warehouse and distribution at various locations across India. Further, Domestic and Export businesses were also temporarily disrupted experiencing partial or complete lockdown in the last week of March 2020. The Group has considered internal and external information while finalizing various estimates in relation to its financial statement upto the date of approval of the financial statements by the Board of Directors. The Group has evaluated its liquidity position and of recoverability and carrying values of its assets and has concluded that no material adjustments are required at this stage in the financial results. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID-19 situation evolves in India and globally. The Group will continue to closely monitor any material changes to future economic conditions. The Group have partially resumed operations after taking into account directives from the Government.
8. The Group has adopted IND AS -116 "Leases" effective from 01.04.2019. There is no effect of adoption to the Consolidated financial results for the period.



9. Figures of the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures in respect of the full financial year and published unaudited year to date figures up to the third quarter of the relevant financial year.
10. Previous year / period figures have been regrouped/ reclassified wherever necessary.
11. The group company has only one reportable segment namely "Pharmaceuticals"

For and on behalf of Board of Directors
For VENUS REMEDIES LIMITED


Pawan Chaudhary
(Managing Director)
Din: 00435503

Date: 21-08-2020




**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
For Standalone annual financial results
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020**

No	Particulars	Audited figures(as reported before adjusting for qualifications)	Audited figures(as reported after adjusting for qualifications)
			Rs. in millions
1	Total Income/ Turnover	3259.39	3259.39
2	Total expenditure	3341.66	3591.62
3	Net profit/(Loss)	(82.26)	(332.23)
4	Earnings Per Share	(6.67)	(26.91)
5	Total Assets	6382.13	6382.13
6	Total Liabilities	6382.13	6382.13
7	Net Worth	3322.53	3072.56

II Audit Qualification

a Details of Audit Qualification

(a) The lenders of the company has approved corporate debt restructuring package of the company in financial year 2014-15. However, the company has defaulted in repayment of borrowing to lenders and was unable to comply with terms of repayment approved by lenders in corporate debt restructuring package. The Company has delayed in repayment of loans or borrowings to banks which were persisting as on 31 March, 2020. Total of Rs. 631.9 Million is the outstanding amount for repayment which includes principal Rs. 397.8 Million and Interest Rs. 234.1 Million as on 31st March 2020.

The company has not provided interest expenses of Rs 30.26 million and Rs. 121.49 million for the quarter and year ended March 31, 2020 respectively and Rs.113.39 million for the Financial Year 2018-19 on loans for which interest is not applied by the banks and not reflected in bank statement.

As a result, interest expenses of Rs 30.26 million and Rs. 121.49 million have been less provided in the books for the quarter and year ended 31st March, 2020 respectively. (Refer Note no.3 to the Statement)

(b) The Company has not translated carrying balances of Foreign Currency Convertible bond at rates prevalent as on 31st March, 2020. Finance cost of Rs. 27.07 million and 13.84 million for quarter ended 31st March, 2020 and for the period 1st April 2019 to

31st December, 2019 respectively.

As result Finance cost of Rs 27.07 million and Rs.40.91million have been less provided in the books for the quarter and Year ended March 31, 2020.

Further, the company has not provided interest expenses of Rs 4.96 Million and Rs. 14 million on Foreign Currency Convertible bond for the Quarter ended 31st March 2020 and for the period 1st April 2019 to 31st December, 2019 respectively.

As a result, interest expenses of Rs 4.96 million and Rs. 18.96 million have been less provided in the books for the quarter and Year ended 31st March, 2020 respectively

Interest expense of Rs 68.60 Million provided for previous years have been reversed in the quarter ended 31st March, 2020 and shown in profit & Loss statement under exceptional item

We further report that the matters referred in point 3(a) was also qualified in the audit report on the standalone financial results for the quarter and year ended 31st March, 2019 and Limited Review Report for the quarter ended 30th June, 2019, 30th September, 2019 and 31st December 2019. The matter referred in point 3 (b) above was also qualified in the Limited Review Report for the quarter ended 30th September, 2019 and quarter ended 31st December 2019.

We further report had the qualification made by us in paragraph point 3 (a) and (b) above been considered during the quarter and Year ended 31st March, 2020, finance costs would have been Rs 43.51 million and Rs.311.83 million for the quarter and Year ended 31st March, 2020 respectively (as against the reported figure of Rs. (18.79) Million and Rs 130.46 million for the quarter and Year ended 31st March, 2020, 2019 respectively), the loss for the quarter and Year ended 31st March, 2020 would have been Rs (198.34) million and Rs.(332.23) million respectively (as against the reported figure of Loss of Rs (67.44)million and Loss of Rs.(82.26) million for the quarter and Year ended 31st March, 2020 respectively) and Long term Borrowings as on 31st March, 2020 would have been Rs. 851.09 million (as against the reported figure of Rs.722.61 million).

b.	Type of Qualification	Qualified opinion
c.	Frequency of qualification	Item no. A of qualification is repetitive And item no. B is addition during the current year
d.	For audit qualification where the impact is quantified by the auditors, management's view	The company has reversed the interest expenses on loans for which interest is not applied by the lenders.
e.	For audit qualification where the impact is not quantified by the auditors	
	Auditors' Comments on (e) above:	

II Signatories

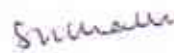
Pawan Chaudhary- Managing Director




Ajeet Kapoor -CGM Accounts



Suresh Kumar Chadha - Audit Committee Chairman



Statutory Auditor
For Vinod Kumar & Associates,
Chartered Accountants,
(FRN): 002304N

Mukesh Dadhich
M.No.: 511741




Place: Panchkula
Date: 21.08.2020

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
For Consolidated annual financial results
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020**

Rs. in Millions

No	Particulars	Audited figures(as reported before adjusting for qualifications)	Audited figures(as reported after adjusting for qualifications)
1	Total Income/ Turnover	3,467.71	3,467.71
2	Total expenditure	3,557.70	3817.67
3	Net profit/(Loss)	(99.98)	(349.95)
4	Earnings Per Share	(8.10)	(28.34)
5	Total Assets	6377.19	6377.19
6	Total Liabilities	6377.19	6377.19
7	Net Worth	3233.70	2983.735

II Audit Qualification

a Details of Audit Qualification

(a) The lenders of the company has approved corporate debt restructuring package of the company in financial year 2014-15. However, the company has defaulted in repayment of borrowing to lenders and was unable to comply with terms of repayment approved by lenders in corporate debt restructuring package.

The Parent Company has delayed in repayment of loans or borrowings to banks which were persisting as on 31 March, 2020. Total of Rs. 631.9 Million is the outstanding amount for repayment which includes principal Rs. 397.8 Million and Interest Rs. 234.1 Million as on 31 st March 2020.

The Parent company has not provided interest expenses of Rs 30.26 million and Rs. 121.49 million for the quarter and year ended March 31, 2020 respectively and Rs.113.39 million for the Financial Year 2018-19 on loans for which interest is not applied by the banks and not reflected in bank statement.

As a result, interest expenses of Rs 30.26 million and Rs. 121.49 million have been less provided in the books for the quarter and year ended 31st March, 2020 respectively.

(Refer Note no.4 to the Statement)

b. Parent Company has not translated carrying balances of Foreign Currency Convertible bond at rates prevalent as on 31st March, 2020. Finance cost of Rs. 27.07 million and 13.84 million for quarter ended

31st March, 2020 and for the period 1st April 2019 to 31st December, 2019 respectively

Further, the company has not provided interest expenses of Rs 4.96 Million and Rs. 14 million on Foreign Currency Convertible bond for the Quarter ended 31st March 2020 and for the period 1st April 2019 to 31st December, 2019 respectively.

As a result, interest expenses of Rs.4.96 million and Rs. 18.96 million have been less provided in the books for the quarter and Year ended 31st March, 2020 respectively

Interest expense of Rs 68.60 Million provided for previous years have been reversed in the quarter ended 31st March, 2020 and shown in profit & Loss statement under exceptional item.

We further report that the matters referred in (a) was also qualified in the audit report on the Consolidated financial results for the quarter and year ended 31st March, 2019 and Limited Review Report for the quarter ended 30th June, 2019, 30th September, 2019 and 31st December 2019. The matter referred in (b) above was also qualified in the Limited Review Report for the quarter ended 30th September, 2019 and quarter ended 31st December 2019.

We further report had the qualification made by us in paragraph (a) and (b) above been considered during the quarter and Year ended 31st March, 2020, finance costs would have been Rs 44.13 million and Rs.314.74 Million for the quarter and Year ended 31st March, 2020 respectively (as against the reported figure of Rs. (18.17) Million and Rs 133.37 million for the quarter and Year ended 31st March, 2020, 2019 respectively), the loss for the quarter and Year ended 31st March, 2020 would have been Rs (184.70) million and Rs.(349.95) million respectively (as against the reported figure of loss of Rs (53.8) million and Loss of Rs(99.98) million for the quarter and Year ended 31st March, 2020respectively) and Long term Borrowings as on 31stMarch, 2020 would have been Rs. 853.75 million (as against the reported figure of Rs.725.27 million).

b. Type of Qualification	Qualified opinion
c. Frequency of qualification	Item no. A of qualification is repetitive And item no. B is addition during the current year
d. For audit qualification where the impact is quantified by the auditors, management's view	The company has reversed the interest expenses on loans for which interest is not applied by the lenders.
For audit qualification where the impact is not quantified by the auditors	
Auditors' Comments on above:	

II Signatories

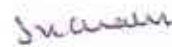
I
Pawan Chaudhary- Managing Director




Ajeet Kapoor -CGM Accounts


Wpoo

Suresh Kumar Chadha - Audit Committee
Chairman



Statutory Auditor
For Vinod Kumar & Associates,
Chartered Accountants.
(FRN): 002304N

Mukesh Dadhich
M.No.: 511741




Place: Panchkula
Date: 21.08.2020