



**khaitan (India) Limited**

CIN No. L10000WB1936PLC008775

Phone : (033) 4050 5000

Fax : (033) 2288 3961

Ref: KIL:SEC:25:2020-21

Date 29/08/2019

To Listing Compliance, National Stock Exchange India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra-(East). Mumbai-400051 <b>NSE Symbol : KHAITANLTD</b>	To Dept of Corporate Services BSE Ltd. (Bombay Stock Exchange ) Floor 25, F.J.Towers, Dalal Street, Mumbai-400001  <b>BSE Security Code : 590068</b>
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**Sub: Outcome of Board Meeting held on 29<sup>th</sup> August, 2020**

Dear Sir,

This is to inform you that the Board at its meeting held on Saturday, 29<sup>th</sup> August, 2020 inter-alia has approved and taken on record the Un- Audited Financial Results for the Quarter ended 30<sup>th</sup> June, 2020.

In term of Regulation 33 read with other relevant regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pleased find enclose herewith copy of Statement of Un-Audited Financial Results for the Quarter ended 30<sup>th</sup> June, 2020.

The Board of the Company have approved as follows:-

The Share Transfer Books of the Company will remain closed from Thursday 24<sup>th</sup> September, 2020 to Wednesday 30<sup>th</sup> September, 2020 (both days inclusive) for the Annual General Meeting

The 83rd Annual General Meeting is scheduled to be held on Wednesday, 30th September, 2020 at 11.30 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"),

The remote e-voting period shall begin on Sunday, 27<sup>th</sup> September, 2020, at 9.00 A.M. and ends on Tuesday, 29<sup>th</sup> September, 2020 at 5.00 P.M. During this period Shareholders' of the Company holding Shares either in physical form or in dematerialized form , as the cut-off date i.e, Wednesday, 23<sup>rd</sup> September, 2020 may cast their votes electronically'

The meeting of the Board of Director of the company commenced at 1.00 p.m. and concluded at 4:00p.m. you may take the above information on your records.

Thanking You

Yours faithfully

For **KHAITAN (INDIA) LIMITED**

**PRADIP HALDER**

**( Company Secretary & Compliance Officer)**

c.c.:

To  
National Securities Depository Ltd  
Trade World, 4<sup>th</sup> Floor  
Kamala Mills Compound  
Senapati Bapat Marg, Lower Parel  
Mumbai – 400 013

To  
Central Depository Services (I) Ltd  
Phirozee Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001

Visit us at [www.khaitan.com](http://www.khaitan.com)

Regd. Office : 20th Floor, 46C, J. L. Nehru Road, Kolkata-700 071

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

**Review Report**

To  
The Board of Directors  
Khaitan (India) Limited  
46, J.L.Nehru Road  
Kolkata-700071

1. We have reviewed the accompanying statement of unaudited financial results of **Khaitan (India) Limited** (the "Company") for the quarter and three months ended 30<sup>th</sup> June 2020 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The 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 Standards ("Ind AS") - 34 "Interim Financial Reporting" as prescribed under section 133 of Companies Act, 2013 as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the said financial statement based on our review.
3. We conducted our review of the financial 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 requires that we plan and perform the review obtain moderate assurance as to whether the Financial Statements are free of material misstatement.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. Our Review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.





#### **4. Basis for Qualified Conclusion**

- a. Refer to Note no 5 the Balances of deferred tax asset have been carried in the financial statements at Rs. 3.26 crores. Considering the absence of the reasonable certainty as regards to realization of the said balances, a provision for the same needs to be provided for. Had the provision of the said balances of Deferred Taxes has been provided, the losses would have increased to Rs.2.38 crores, instead of the profit of Rs.0.88 crores in the three months period ended 30<sup>th</sup> June,2020.
- b. Refer to Note no-8, In terms of the requirements of Ind AS 109, Financial Instruments, the company has not opted for Expected Credit Loss (ECL) model for estimating the provisions against Trade Receivables. Had the said model of estimation of receivable delinquencies been applied the balances of provisioning against trade receivables might undergone a change. The possible effect of the non-application of the ECL model on the financial statements is un-ascertained.
- c. Refer to Note no-10, the biological assets amounting to Rs. 2.57 crores includes Bearer and Non Bearer plants and trees. As per Ind AS-16, Property, Plant & Equipment, bearer plant is a part of Fixed Assets and depreciation to be charged on the basis of useful life of the bearer plants. The company has not segregated the portfolio of biological assets into bearer and non-bearer plants and consequent accounting adjustment thereof and continues to recognize the same under current assets, which is in disagreement with the requirements of the above referred Ind AS Accounting standard. Pending completion of the said exercise, the consequent impact of the above matter on the financial statements could not be ascertained.

The above matters were also qualified by us in the report for the financial ended March 31<sup>st</sup> 2020.

#### **5. Qualified Conclusion**

Based on our Review, with the exception of the matter described in the paragraph 3 above, and for reasons stated in paragraphs 4(a), 4(b) and 4(c), nothing has come to our attention that causes us to believe that the accompanying unaudited statement of financial results, read with the notes thereon, prepared in accordance with aforesaid Indian Accounting Standard (Ind AS) and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosures Requirements) Regulation, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### **6. Emphasis of Matter**

Attention is drawn to the following notes to the Financial Statement:

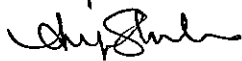
- a) Note 4 - The non-operation of sugar mill of the company and management plan for resumption of the activity thereof. Considering the ongoing management plans for continuation of the sugar manufacturing related business, the same has not been considered as discontinued operations.



- b) Note no 6- Fixed Assets of the Sugar Mill division especially the plant and machinery has not been used for active service for more than 12 months. Considering the age of the assets and non-usage of machineries for a considerable time, the technical evaluation of the assets needs to be done for ascertainment of impairment provision, if any required.
- c) Note no 7- Therein initiation of proceedings under IBC Code 2016 against the company by certain operational and financial creditors. The matter is still not yet admitted / decided by the concerned court of law.
- d) Note no 11- In order to to assess the recoverability of certain assets; the company has considered internal and external information up to the date of this report in respect of the current and estimated economic indicators consequent to the COVID 19 pandemic. The actual impact of the said pandemic may be different from that considered in assessing the recoverability of these assets.
7. The comparative financial information of the company for the corresponding quarter ended 30<sup>th</sup> June 2019 was reviewed by the predecessor auditor. We have placed reliance on the same for the purpose of these financial statements and for our report thereupon.

Our conclusion is not modified in respect of matter specified in para 6 and 7 above.

**For K.C.Bhattacharjee & Paul**  
Chartered Accountants  
FRN: 303026E



**Anjan Ghosh**  
(Partner)  
Membership No.: 066509  
UDIN: 20066509AAAABI9577



Place: Kolkata  
Date: 29<sup>th</sup> August 2020

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

Rs. In Lakhs

Sl.	Particulars	Quarter Ended			Year ended
		30.06.2020	31.03.2020	30.06.2019	31.03.20
		Unaudited	Audited	Unaudited	Audited
<b>1</b>	<b>Income:</b>	900.97	981.67	2,074.18	5,664.91
a	Revenue from Operations	6.46	14.61	8.78	43.63
b	Other Income				
	<b>Total Income</b>	<b>907.43</b>	<b>996.28</b>	<b>2,082.96</b>	<b>5,708.54</b>
<b>2</b>	<b>Expenses:</b>				
a	Cost of Materials Consumed	532.57	909.75	1,628.19	4,432.32
b	Purchases of Trading Goods	1.92	47.45	0.82	57.94
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	113.24	216.30	153.27	659.17
d	Employee benefits expense	54.66	42.30	61.36	217.55
e	Finance Cost	45.23	45.15	44.35	180.92
f	Depreciation & Amortisation Expenses	72.10	161.12	162.08	651.18
g	Other expenses				
	<b>Total Expenses</b>	<b>819.72</b>	<b>1,422.07</b>	<b>2,050.07</b>	<b>6,199.08</b>
<b>3</b>	<b>Profit before Tax (1-2)</b>	<b>87.71</b>	<b>(425.79)</b>	<b>32.89</b>	<b>(490.54)</b>
<b>4</b>	<b>Tax Expenses:</b>				
	Current Tax	-	-	-	-
	Deferred Tax	-	-	-	-
	<b>Total tax expenses</b>				
		<b>87.71</b>	<b>(425.79)</b>	<b>32.89</b>	<b>(490.54)</b>
<b>5</b>	<b>Profit for the year (3-4)</b>				
<b>6</b>	<b>Other Comprehensive Income</b>				
	A (i) Items that will not be reclassified to profit or loss	-	(637.25)	2.56	(634.69)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	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	-	(637.25)	2.56	(634.69)
	<b>Other Comprehensive Income for the Year</b>				
		<b>87.71</b>	<b>(1,063.04)</b>	<b>35.45</b>	<b>(1,125.23)</b>
<b>7</b>	<b>Total Comprehensive Income for the Year</b>				
		<b>475.00</b>	<b>475.00</b>	<b>475.00</b>	<b>475.00</b>
<b>8</b>	<b>Paidup Equity Share Capital (Face Value per share Rs.10/-)</b>				
					(1,694.26)
<b>9</b>	<b>Reserve and Surplus (Excluding Revaluation Reserve) as per Balance Sheet of Year End</b>				
<b>10</b>	<b>Earning Per equity share of Rs.10/- each Basic and Diluted (Rs.)</b>	<b>1.85</b>	<b>(8.96)</b>	<b>0.69</b>	<b>(10.33)</b>

**Notes:**

- 1) The above financial result including statement of business segment have been prepared in accordance with the Indian Accounting Standards ("Ind AS") - 34 "Interim Financial Reporting" as prescribed under section 133 of Companies Act, 2013 and rules made there and have been compiled keeping in view the provisions of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). These results were reviewed by Audit Committee and approved by the Board of Directors at its meeting held on 29th August, 2020 have been subject to limited Review by the Statutory Auditors.
- 2) The Company operates predominantly in three business segments, viz., Agriculture, Sugar & Electrical goods. The sales of the Company are mainly in India and export sales are less than 10% of the total turnover of the Company. Further, the company does not hold any material assets at overseas locations hence; there are no reportable geographical segments.
- 3) As the company is also engaged in the business of cultivation, production and sale of sugar along with Agricultural activities, which is seasonal in character, the figures for the quarter and three months ended 30th June, 2020 should not be construed as indicative of possible result for the year ended 31st March, 2021.
- 4) Operational activity of the sugar division of the company is under suspension for more than 12 months as the division was incurring heavy losses because of various reasons like high cost of production and un-remunerative selling prices. The management is expecting that situation should improve in foreseeable future as it has taken various remedial measures. There is no plan to discontinue the activities related to sugar division. Hence, the same has been considered as part of continuing business operations.
- 5) Considering the seasonality of the Sugar and Agricultural business segment, recognition of deferred tax will be undertaken at the end of the financial year, including evaluation on the reasonability of the realisation of the existing deferred tax balances.
- 6) Although in the opinion of the management, Fixed Assets of the Sugar Division of the company has an aggregate realizable value higher than the book value and therefore do not envisage any indication of the impairment at this stage. However, as an abundant precaution, management will initiate measures to make independent valuation of the assets. Necessary impairment losses, if any will be recognized after the completion of such exercise.
- 7) Certain financial and operational creditors of the company have initiated Insolvency and Bankruptcy proceedings against the Company under IBC Code 2016. However, in all of the cases, the petition of the concerned creditors has not been admitted yet by the competent court of law. Management is taking necessary steps to resolve the issue of such creditors. Therefore, it does not envisage any concerns as regards to going concern status of the company at this stage.
- 8) The Management has opted not to apply the Expected Credit Loss (ECL) Model for the provision of Trade Receivables during the quarter ended 30th June 2020.
- 9) Considering the past credit history, business volume and expected cash flows from its debtors for the contractual cash flows, Company is carrying sufficient provision, which in opinion of the management is reasonable and adequate to cover any expected credit delinquencies on the receivables balances. The said balances will be adjusted/recovered in due course of time and does not necessitate any further provisioning balances.





10)	Management is under the process of segregation of the biological assets comprising of plants and trees into Bearer and Non Bearer ones. Pending the completion of the said exercise, the biological assets has been recognised and disclosed under current assets.
11)	The spread of Covid-19 from March 2020 is having an unprecedented impact on people and economy. Company's operations have also been impacted during the months of April 2020 and May 2020 due to temporary suspension of manufacturing facilities, sales and distribution following nationwide lockdown announced by the Government of India in view of COVID-19. However, post the permission for operations of certain activities by the Government of India in non-containment zones, the Company has resumed its operations in different locations within the country. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of trade receivables, tangible assets, Investments and other items of current assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. The Company based on current estimates expects the carrying amount of these assets will be recovered.
12)	As an ongoing measure, the process of the confirmation and reconciliation of balances of debtors, creditors, loans, advances, claims, deposits and statutory dues is underway. Management expects no material adjustments to the said balances as reported for the interim period.
13)	The figures of previous periods have been regrouped / reclassified wherever necessary to make them comparable with those of the current period.

Place of Signature : Kolkata  
Date: 29th August, 2020




By Order of the Board of Directors  
Khaiatan (India) Limited

(Sunay Krishna Khaiatn)  
(Executive Director)



**KHAITAN INDIA LIMITED**  
 REG. OFFICE 46C, J.L. NEHRU ROAD KOLKATA-700071  
 EMAIL: kilsugar@vsnl.net; Website: www.khaitansugar.com  
 Phone: 033 4050 5000  
 CIN:L10000WB1936PLC008775  
**REPORTING OF BUSINESS SEGMENT INFORMATION**

Sl. No	PARTICULARS	Quarter ended			Year Ended
		30.06.2020 (Unaudited)	31.03.2020 (Audited)	30.06.2019 (Unaudited)	31.03.2020 (Audited)
I	<b>Segment Revenue</b>				
	(a) Electrical Goods	898.72	979.30	2,062.91	5,630.09
	(b) Sugar	-	-	-	-
	(c) Agriculture	2.25	2.36	11.27	34.81
	<b>Total</b>	<b>900.97</b>	<b>981.66</b>	<b>2,074.18</b>	<b>5,664.90</b>
	Less: Inter Segement Revenue	-	-	-	-
	<b>Gross Revenue from Sale of Products &amp; Services</b>	<b>900.97</b>	<b>981.66</b>	<b>2,074.18</b>	<b>5,664.90</b>
II	<b>Segment Results(Profit before Finance Cost and Taxes)</b>				
	(a) Electrical Goods	202.91	(250.44)	146.97	48.92
	(b) Sugar	(59.67)	(76.15)	(56.90)	(271.89)
	(c) Agriculture	(0.88)	(56.88)	4.18	(50.01)
	<b>Total</b>	<b>142.36</b>	<b>(383.47)</b>	<b>94.25</b>	<b>(272.98)</b>
	<b>Less:</b>				
	(a) Finance Cost	54.65	42.30	61.36	217.55
	(b) Other Unallocable (Income)	-	-	-	-
	<b>Profit Before Tax</b>	<b>87.71</b>	<b>(425.77)</b>	<b>32.89</b>	<b>(490.53)</b>
III	<b>Segment Assets</b>				
	(a) Electrical Goods	3,038.15	3,047.72	4,546.35	3,047.72
	(b) Sugar	774.26	826.21	1,060.52	826.21
	(c) Agriculture	4,469.07	4,469.19	4,561.69	4,469.19
	<b>Total Segment Assets</b>	<b>8,281.48</b>	<b>8,343.12</b>	<b>10,168.56</b>	<b>8,343.12</b>
IV	<b>Segment Liabilites</b>				
	(a) Electrical Goods	4,764.40	4,925.93	5,543.37	4,925.93
	(b) Sugar	(1,983.58)	(1,995.01)	(1,985.99)	(1,995.01)
	(c) Agriculture	3,028.50	3,027.74	3,066.04	3,027.74
	<b>Total Segment Liabilities</b>	<b>5,809.32</b>	<b>5,958.66</b>	<b>6,623.42</b>	<b>5,958.66</b>
V	<b>Segment Capital (III - IV)</b>				
	(a) Electrical Goods	(1,726.25)	(1,878.21)	(997.02)	(1,878.21)
	(b) Sugar	2,757.84	2,821.22	3,046.51	2,821.22
	(c) Agriculture	1,440.57	1,441.45	1,495.65	1,441.45
	(d) Unallocated	-	-	-	-
	<b>Total Segment Liabilities</b>	<b>2,472.16</b>	<b>2,384.46</b>	<b>3,545.14</b>	<b>2,384.46</b>

