



CIN No. : U24230GJ2011PLC064731

GST No. : 24AADCN5937D1ZM

# NOVATEOR RESEARCH LABORATORIES LTD.

(Innovative Cosmetic and Pharma Products)  
Date: August 01, 2020

To,  
Department of Corporate Services  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001.

Sub: Outcome of Board Meeting  
BSE Code: 542771

**Ref: Submission of Audited Financial Results for the Half year and year ended on March 31, 2020 pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

Dear Sir,

Pursuant to our letter dated 31<sup>st</sup> July, 2020 and Regulation 30 and any other Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that a meeting of the Board of Directors held on Friday, July 31, 2020 at 5:00 p.m. and pending for discussion due to constrain of time as per government guidelines for COVID-19, board meeting is continued on Saturday, August 01, 2020 at 3.30 p.m. and concluded on 8:30 p.m. at registered office of the Company, inter-alia, considered and approved the following:

1. Audited financial results (Standalone) of the Company for the half year and financial year ended on March 31, 2020.

Pursuant to Regulation 30 & 33 of the Listing Regulations, please find the enclosed the following:

- I. Audited Financial Results with cash flow statement (Standalone) for the half year and year ended on March 31, 2020.
- II. Audit Report in respect of the aforesaid Results.
- III. Declaration Pursuant to Regulation 33 (3) (d) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations. 2016

Please take the information on record.

Thanking you,

Yours faithfully,

For, NOVATEOR RESEARCH LABORATORIES LIMITED

  
NAVDEEP MEHTA  
Managing Director  
DIN: 03441623



- **Reg. Office:**  
B-1001 Titanium City Center, Near Dhananjay Tower, 100 Feet Ring Road,  
Near Shyamal Cross Road, Anand Nagar, Ahmedabad - 380015
- **Factory & Laboratory**  
1/2 Natraj Industrial Estate, Vasna-Iawa,  
Taluka- Sanand, District- Ahmedabad-382110.

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## **INDEPENDENT AUDITOR'S REPORT**

AUDITOR'S REPORT ON HALF YEARLY FINANCIAL RESULTS AND YEAR TO DATE RESULTS OF NOVATEOR RESEARCH LABORATORIES LIMITED PURSUANT TO REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Board of Directors of-

NOVATEOR RESEARCH LABORATORIES LIMITED

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial results (the Statement") of NOVATEOR RESEARCH LABORATORIES LIMITED. ('the Company') for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

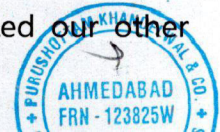
In our opinion and to the best of our information and according to the explanations given to us, these annual standalone annual financial results:

(i) are 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 recognition and measurement principles laid down in the applicable Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other financial information for the year ended 31 March 2020.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the *Audit of the Standalone Annual 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other





ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw attention to Note-4 of the Statement, which describes that the potential impact of COVID-19 pandemic on the financial results of the Company is dependent on future developments, which remain uncertain.

Our opinion is not modified in respect of this matter.

#### Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India including the accounting Standards specified under section 133 of the Act and in compliance regulation 33 and regulation 52 of the listing Regulation , This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial 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

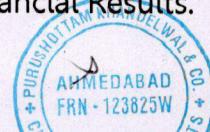




assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 financial statements 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 auditor's 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Result Company to express an opinion on the Standalone Financial Results.





- Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of Our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.

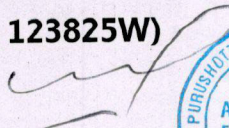
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Other Matters**

The standalone annual financial results include the results for the half year ended 31st March, 2020 being the balancing figure between the audited figures in respect of full financial year and the published unaudited year to date figures up to the half year of the current financial year which were subject to limited review by us.

**For, PURUSHOTTAM KHANDELWAL & CO.**  
**Chartered Accountants**  
**(FRN No. 123825W)**

  
**CA Prahlad Jhanwar**  
**(Partner)**

**M.No.120920**

**Place: Ahmedabad**

**Date : 31<sup>st</sup> July, 2020**

**UDIN: - 20120920AAAAAI3923**

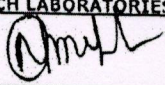




**NOVATEOR RESEARCH LABORATORIES LIMITED**

**B-1001,10th Floor, Block B, Titanium City Center, Near Sachin Tower, Anandnagar Rd,  
100 Feet Road, Satellite Ahmedabad 380015**

**STATEMENT OF FINANCIAL RESULTS FOR THE PERIOD ENDED ON 31st March, 2020**

Sr. No	Particulars	Half Year Ended on	Preceding Half Year Ended on	Half Year Ended on	Year Ended on	Year Ended on
		31/03/2020	30/09/2019	31/03/2019	31/03/2020	31/03/2019
		Audited	Unaudited	Audited	Audited	Audited
					(in Lakh)	
I	Revenue from operations	13.07	26.40	24.17	39.47	40.77
II	Other Income	25.69	1.14	10.61	26.83	10.64
III	<b>Total Revenue (I +II)</b>	<b>38.77</b>	<b>27.54</b>	<b>34.78</b>	<b>66.31</b>	<b>51.41</b>
IV	<b>Expenses:</b>					
	Cost of materials consumed	0	0.00	0.00		0
	Purchase of Stock-in-Trade	6.48	6.55	12.51	13.03	41.21
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	14.36	-2.31	-23.43	12.05	(38.23)
	Employee Benefit Expense	10.45	5.75	0.88	16.20	1.89
	Financial Costs	0.01	0.83	0.13	0.84	0.33
	Depreciation and Amortization Expense	4.79	4.78	9.55	9.57	9.55
	Other Expenses	1.6	10.40	5.74	11.97	7.15
	<b>Total Expense</b>	<b>37.65</b>	<b>26.00</b>	<b>5.38</b>	<b>63.65</b>	<b>21.90</b>
V	Profit before exceptional and extraordinary items and tax	<b>1.12</b>	<b>1.54</b>	<b>29.40</b>	<b>2.66</b>	<b>29.51</b>
VI	Exceptional Items	0	0.00	0.00	0.00	0
VII	Profit before extraordinary items and tax (V - VI)	<b>1.12</b>	<b>1.54</b>	<b>29.40</b>	<b>2.66</b>	<b>29.51</b>
VIII	Extraordinary Items	0	0.00	0.00	0.00	
IX	Profit before tax (VII - VIII)	<b>1.12</b>	<b>1.54</b>	<b>29.40</b>	<b>2.66</b>	<b>29.51</b>
X	<b>Tax expense:</b>					
	(1) Current tax	0.07	0.39	7.24	0.46	7.24
	(2) Deferred tax	2.99	0.00	0.43	2.99	0.43
XI	Profit(Loss) from the period from continuing operations	<b>-1.94</b>	<b>1.15</b>	<b>21.73</b>	<b>-0.79</b>	<b>21.84</b>
	Less: Dividend	0	-	0.00	0.00	-
	Less: Tax on Dividend	0	-	0.00	0.00	-
XII	Balance carried Forward to Balance Sheet	<b>-1.94</b>	<b>1.16</b>	<b>21.73</b>	<b>-0.79</b>	<b>21.84</b>
XIII	Paid-up Equity share capital (at par Value of Rs.10)	483.42	483.42	296.21	483.42	296.22
XIV	Reserves excluding revaluation reserves	-	-		292.27	30.98
XV	a)Earning per equity share before Exceptional items					
	(1) Basic	-0.04	0.00	0.73	-0.02	0.74
	(2) Diluted	-0.04	0.00	0.73	-0.02	0.74
	b)Earning per equity share after Exceptional items					
	(1) Basic	-0.04	0.00	0.73	-0.02	0.74
	(2) Diluted	-0.04	0.00	0.73	-0.02	0.74
	<b>Notes:</b>					
	1) The above Financial Results were reviewed by the Audit Committee and Approved by the Board of Directors at their respective Meeting held on 31st July, 2020.					
	2) The Company's business activity fall within a single primary business segment.					
	3) Previous year's figures are re-grouped, re-classified wherever necessary.					
	<b>By order of the Board of Directors</b>					
	<b>For NOVATEOR RESEARCH LABORATORIES LIMITED</b>					
						
				<b>Managing Director</b>		
	<b>Date: 31.07.2020</b>					
	<b>Place: Ahmedabad</b>					







## **NOVATEOR RESEARCH LABORATORIES LIMITED**

Address: B-1001, 10th Floor, Block B, Titanium City Center, Near Sachin Tower, Anandnagar Rd, 100 Feet Road, Satellite  
Ahmedabad 380015 Gujarat

### **CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020**

Amount in Lakh

PARTICULARS	31.03.2020	31.03.2019
<b>A. Cash Flow from Operating Activity</b>		
Profit before Taxation and Extra Ordinary Items	2.66	29.52
Add : Non Cash & Non Operating Expenses		
Depreciation	9.57	9.55
Interest Expenses	0.84	0.33
Preliminary Expenses Write Off	0.00	
Operating Profit before Working Capital Changes	13.07	39.40
Adjustment for;		
(Increase) / Decrease in Inventory	5.83	(38.23)
(Increase) / Decrease in Debtors	(9.17)	(9.56)
(Increase) / Decrease in Other Current Assets	(372.22)	(0.05)
(Increase) / Decrease in Loans & Advances	4.80	(4.15)
(Increase) / Decrease in Trade Payable	11.14	6.42
(Increase) / Decrease in Current Liabilities	0.53	(1.44)
(Increase) / Decrease in Provisions	4.67	7.60
Cash Generated from Operation	(341.34)	(0.01)
Taxes Paid	0.46	7.24
Net Cash Flow from Operating Activities	(341.80)	(7.25)
<b>B. Cash Flow from Investing Activity</b>		
(Increase) / Decrease in Fixed Assets (net)	(9.57)	(195.94)
(Increase) / Decrease in Investments & Accrued Interest Thereon	0.00	(0.33)
Net Cash Flow from Investing Activities	(9.57)	(196.27)
<b>C. Cash Flow from Financing Activity</b>		
Proceeds from Issue of Shares	187.20	291.26
Proceeds from Securities Premium	262.08	(7.61)
Increase / (Decrease) in Long term Borrowings	(12.75)	(80.22)
(Increase) / Decrease in Long term Loans and Advance	(19.35)	
Interest Expenses	0.84	
Net Cash Flow from Financing Activities	418.01	203.43
Net Increase / (Decrease) in Cash & Cash Equivalents	66.66	(0.09)
Opening Balance of Cash & Cash Equivalents	2.03	2.12
Closing Balance of Cash & Cash Equivalents	68.69	2.02
Net Increase / (Decrease) in Cash & Cash Equivalents	(66.66)	0.10

By order of the Board of Directors
For NOVATEOR RESEARCH LABORATORIES LIMITED
 
Managing Director

Place: Ahmedabad

Date: 31.07.2020



**NOVATEOR RESEARCH LABORATORIES LIMITED**

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**STATEMENT OF ASSET & LIABILITIES AS ON 31st March, 2020**

Particulars	Year Ended on	Year Ended on
	31/03/2020	31/03/2019
	Audited	Audited
<b>I. EQUITY AND LIABILITIES</b>		
<b>(1) Shareholder's Funds</b>		
(a) Share Capital	483.42	296.22
(b) Reserves and Surplus	372.72	111.43
<b>(2) Share Application money pending allotm</b>		
<b>(3) Non-Current Liabilities</b>		
(a) Long-Term Borrowings	14.13	1.38
(b) Deferred Tax Liabilities (Net)	4.03	1.04
(c) Other Long Term Liabilities	0.00	0.00
(d) Long Term Provisions	0.00	0.00
<b>(4) Current Liabilities</b>		
(a) Short-Term Borrowings	0.00	0.00
(b) Trade Payables	1.15	12.30
(i) Total Outstanding dues of micro enterprises	0.00	0.00
(ii) Total Outstanding dues of creditors other than micro	0.00	0.00
(c) Other Current Liabilities	1.08	1.61
(d) Short-Term Provisions	2.96	7.63
<b>Total Equity &amp; Liabilities</b>	<b>879.49</b>	<b>431.61</b>
<b>II. ASSETS</b>		
<b>(1) Non-Current Assets</b>		
<b>(a) Fixed Assets (Net)</b>		
(i) Property, Plant and Equipment	345.16	354.73
(ii) Intangible Assets		
(iii) Capital Work in Progress		
(b) Non-current investments	0.98	0.98
(c) Deferred tax assets (net)		
(d) Long term loans and advances	-	-
(e) Other non-current assets	19.35	0.00
<b>(2) Current Assets</b>		
(a) Current investments	0.00	0.00
(b) Inventories	47.52	53.35
(c) Trade receivables	24.53	15.36
(d) Cash and cash equivalents	69.37	2.03
(e) Short-term loans and advances	0.36	5.16
(f) Other current assets	372.22	0.00
<b>Total Assets</b>	<b>879.49</b>	<b>431.61</b>

By order of the Board of Directors  
For NOVATEOR RESEARCH LABORATORIES LIMITED



*Navdeep Mehta*

Navdeep Mehta

Managing Director

DIN: 03441623

Place: Ahmedabad

Date: 31/07/2020



# NOVATEOR RESEARCH LABORATORIES LTD.

(Innovative Cosmetic and Pharma Products)

Date: August 01, 2020

To,  
Department of Corporate Services  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001.

BSE Code: 542771

**Subject: Declaration regarding the Auditor's Report with unmodified opinion(s) pursuant to Regulation 33(3)(d) of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015**

Dear Sir / Madam,

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 and read with SEBI (Listing Obligation and Disclosure Requirements) (Amendment) Regulations, 2016 we hereby declare that the Auditor has furnished its Report on the Audited Financial Results (Standalone) for the half year and financial year ended March 31, 2020 are with unmodified opinion and do not have any modified opinion/ qualification/ reservation/ adverse remarks.

Please take the information on record.

Thanking you,

Yours faithfully,

For, NOVATEOR RESEARCH LABORATORIES LIMITED



**NAVDEEP MEHTA**  
Managing Director  
DIN: 03441623



**Contact Detail**

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**• Factory & Laboratory**

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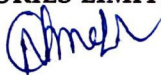
Notes:

1. The above standalone financial results which are published in accordance with Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on July 31, 2020
2. The audited standalone financial results are prepared in accordance with the Companies (Accounts) Rules, 2014 and applicable accounting standards as prescribed under section 133 of the Companies Act, 2013. As per MCA Notification dated February 16, 2015 Companies whose Shares are listed on SME Exchange as referred to in Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, are exempted from the compulsory requirement of adoption of IND-AS.
3. The figures for the half year ended March 31, 2020 and corresponding half year ended March 31, 2019 are the balancing figures between audited figures in respect of full financial year and published year to date figures upto the end of six months period of the relevant financial year.
4. The Company is actively monitoring the impact of the global health pandemic on its financial Condition, liquidity, operations, suppliers, industry, and workforce. The company has used the principles of prudence in applying judgments, estimates and assumptions based on the current estimates. In assessing the recoverability of assets such as inventories, financial assets and other assets, based on current indicators of future economic conditions, the company expects to recover the carrying amounts of its assets. The extent to which COVID-19 impacts the operations will depend on future developments which remain uncertain. Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of the standalone financial results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The company will continue to monitor any material changes to future economic conditions.
5. The Company's principle business activities fall within the single segment. In the opinion of the management, this is the only segment as per Accounting Standard-17 on Segment Reporting issued by the Institute of Chartered Accountants of India.
6. Information regarding the status and amounts payable to the suppliers under the "Micro, Small and Medium Enterprises Development Act, 2006", out of the total amounts payable to the Trade Payables is under compilation, hence the status of the same is yet to be updated.
7. Previous period figures have been regrouped, re-arranged and re-classified wherever necessary to conform to current period's classification.

For, NOVATEOR RESEARCH LABORATORIES LIMITED

Date: 31.07.2020  
Place: Ahmednabad



  
NAVDEEP MEHTA  
Managing Director  
DIN: 03441623