

June 29, 2020

To,  
General Manager  
The Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort  
Mumbai  
Maharashtra 400001

**Subject: Outcome of Board Meeting held on June 29, 2020**

**Company Code: 540728**

**Dear Sir,**

We wish to inform you that the Board of Directors of the Company at their meeting held today, i.e. June 29, 2020 ("the Board Meeting"), has, inter alia, approved the following:

Audited Financial Results (Standalone & Consolidated) for the Quarter and Year ended 31st March, 2020. In this regard, we are enclosing herewith a copy of the following as prescribed under Regulation 33 of the Listing Regulations:

- The Audited Financial Results (as stated above) in the detailed format as per the Listing Regulations, along with the Auditors' Report.

We hereby declare that, the Statutory Auditors of the Company M/s. Shah and Shah Associates, Chartered Accountants, have issued an Audit Reports dated 29<sup>th</sup> June, 2020 with unmodified opinion on the Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended 31<sup>st</sup> March, 2020.

In accordance with the SEBI Circular No. SEBI/HO/CFD/CMDI/CIR/P/2020/48 dated March 26, 2020 and SEBI/HO/CFD/CMDI/CIR/P/2020/79 dated May 12, 2020 granting relaxation from the compliance of Regulation 47 of the Listing Regulations, the Extracts of the said results would not be published in the newspapers. However the aforesaid Audited Financial Results are available on the Company's website [www.sayajigroup.in](http://www.sayajigroup.in)

The Meeting commenced at 04:30 p.m. and concluded at 5.30 p.m.

Kindly take the same on your record.

Thanking you.

Yours faithfully  
For Sayaji Industries Ltd.



(Rajesh H. Shah)  
Company Secretary &  
Sr. Executive Vice President



Encl.: As above

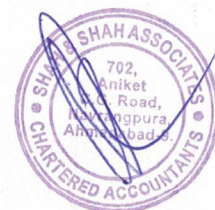
**SAYAJI INDUSTRIES LIMITED**  
**Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2020**

(₹ in lakhs unless otherwise stated)

| Particulars   | Quarter ended    |                   |                  | Year ended       |                  |
|---|------------------|-------------------|------------------|------------------|------------------|
|   | March 31, 2020   | December 31, 2019 | March 31, 2019   | March 31, 2020   | March 31, 2019   |
|   | Audited          | Unaudited         | Audited          | Audited          | Audited          |
| <b>Income:</b>  |                  |                   |                  |                  |                  |
| I (a) Revenue from operations   | 15,800.06        | 15,925.04         | 17,618.72        | 63,862.62        | 64,404.98        |
| II (b) Other income   | 12.76            | 23.23             | 100.12           | 403.55           | 494.81           |
| III <b>Total Income</b>   | <b>15,812.82</b> | <b>15,948.27</b>  | <b>17,718.84</b> | <b>64,266.17</b> | <b>64,899.79</b> |
| <b>Expenses:</b>  |                  |                   |                  |                  |                  |
| IV (a) Cost of materials consumed   | 11,309.09        | 11,629.19         | 13,559.71        | 46,236.44        | 44,459.70        |
| (b) Purchase of stock-in-trade  | 3.85             | 112.72            | 34.30            | 271.78           | 43.48            |
| (c) Changes in inventories of finished goods and work-in-progress   | 2.29             | (131.53)          | (700.68)         | (299.94)         | (859.83)         |
| (d) Employee benefits expense   | 1,116.09         | 1,115.41          | 896.36           | 4,691.53         | 4,926.39         |
| (e) Finance cost  | 378.70           | 430.52            | 304.22           | 1,663.20         | 1,236.90         |
| (f) Depreciation and amortisation expense   | 295.97           | 287.85            | 274.30           | 1,146.24         | 995.58           |
| (g) Other expenses  | 2,691.55         | 2,498.92          | 2,995.22         | 10,996.75        | 12,891.35        |
| <b>Total expenses</b>   | <b>15,797.54</b> | <b>15,943.08</b>  | <b>17,363.43</b> | <b>64,706.00</b> | <b>63,693.57</b> |
| V <b>Profit / (Loss) before exceptional items &amp; tax (III-IV)</b>  | <b>15.28</b>     | <b>5.19</b>       | <b>355.41</b>    | <b>(439.83)</b>  | <b>1,206.22</b>  |
| VI Profit / (Loss) in share of joint venture  | (61.56)          | (3.00)            | -                | (90.92)          | -                |
| VII Exceptional items (refer note no. 4)  | -                | -                 | -                | -                | 2,116.30         |
| VIII <b>Profit / (Loss) before tax (V+VI+VII)</b>   | <b>(46.28)</b>   | <b>2.19</b>       | <b>355.41</b>    | <b>(530.75)</b>  | <b>3,322.52</b>  |
| IX <b>Tax expense</b>   |                  |                   |                  |                  |                  |
| (a) Current tax   | -                | (0.01)            | (167.12)         | 0.74             | 403.19           |
| (b) Deferred tax  | (149.86)         | 2.89              | 409.21           | (296.77)         | 389.53           |
| X <b>Profit / (Loss) after tax (VIII-IX)</b>  | <b>103.58</b>    | <b>(0.69)</b>     | <b>113.32</b>    | <b>(234.72)</b>  | <b>2,529.80</b>  |
| XI <b>Other comprehensive income</b>  |                  |                   |                  |                  |                  |
| (a) Items that will not be reclassified to Profit or Loss (net of tax)  | (5.15)           | 75.53             | (19.37)          | 32.03            | (19.37)          |
| (b) Items that will be reclassified to Profit or Loss (net of tax)  | -                | -                 | -                | -                | -                |
| XII <b>Total comprehensive income for the period/year (X+XI)</b>  | <b>98.43</b>     | <b>74.84</b>      | <b>93.95</b>     | <b>(202.69)</b>  | <b>2,510.43</b>  |
| XIII <b>Profit for the year attributable to:</b>  |                  |                   |                  |                  |                  |
| -Owners of the company  | 103.90           | (0.66)            | 92.86            | (234.36)         | 2,519.97         |
| -Non-controlling interest   | (0.33)           | (0.03)            | 20.46            | (0.36)           | 9.83             |
|   | <b>103.58</b>    | <b>(0.69)</b>     | <b>113.32</b>    | <b>(234.72)</b>  | <b>2,529.80</b>  |
| XIV <b>Other comprehensive income for the year attributable to:</b>   |                  |                   |                  |                  |                  |
| -Owners of the company  | (5.15)           | 75.53             | (19.37)          | 32.03            | (19.37)          |
| -Non-controlling interest   | -                | -                 | -                | -                | -                |
|   | <b>(5.15)</b>    | <b>75.53</b>      | <b>(19.37)</b>   | <b>32.03</b>     | <b>(19.37)</b>   |
| XV <b>Total comprehensive income for the year attributable to:</b>  |                  |                   |                  |                  |                  |
| -Owners of the company  | 98.75            | 74.87             | 73.49            | (202.33)         | 2,500.60         |
| -Non-controlling interest   | (0.33)           | (0.03)            | 20.46            | (0.36)           | 9.83             |
|   | <b>98.43</b>     | <b>74.84</b>      | <b>93.95</b>     | <b>(202.69)</b>  | <b>2,510.43</b>  |
| XVI <b>Other equity excluding revaluation reserves as at March 31, 2020 / 2019</b>                            |                  |                   |                  | 7,372.13         | 7,726.73         |
| XVII <b>Paid-up equity share capital (face value of share ₹ 5 each)</b>                                       | 316.00           | 316.00            | 316.00           | 316.00           | 316.00           |
| XVIII <b>Earnings per equity share (in ₹) (not annualised except for the year ended March 31, 2020/ 2019)</b> |                  |                   |                  |                  |                  |
| (a) Basic   | 1.64             | (0.01)            | 1.47             | (3.71)           | 39.87            |
| (b) Diluted   | 1.64             | (0.01)            | 1.47             | (3.71)           | 39.87            |

**Notes for the audited consolidated financial results of the group:**

- These audited financial results have been prepared in accordance with the Indian Accounting standard (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules as amended from time to time. These financial results were reviewed by the audit committee and thereafter have been approved by the board of directors at its meeting held on Monday, June 29, 2020.
- The statement of financials results has been audited by the statutory auditors. The statutory auditors have issued an unmodified audit opinion on the financial results. The audit report has been filed with the stock exchanges and is also available on the company's website.

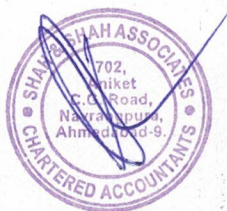


- 3 A joint venture agreement is entered into between the Company, Alland & Sayaji LLP (Formerly known as Sayaji Ingritech LLP - Subsidiary of company) and 'Societe Developpement Produits Afrique (SDPA)', France, Alland & Robert Group for manufacturing of gum arabic / gum acacia, gum ghatti and gum blends which is effective from April 01, 2019. Post this joint venture, the Company and SDPA are holding 50% each in capital contribution of Alland & Sayaji LLP, hence Alland & Sayaji LLP (formerly known as Sayaji Ingritech LLP) is no longer a subsidiary of the Company and is considered as Joint Venture. Therefore the consolidated financial figures for the the quarter ended March 2020, & March 2019 and year ended March, 2020 & March 2019 are not comparable.
- 4 Exceptional items of INR 2,116.30 lakhs is in respect of profit on sale of shares held by the company in Sayaji Sethness Limited, a Joint Venture Company in September, 2018.
- 5 The group operates in manufacturing of starch and its derivatives products as well as processing of agri seeds, however as per the provisions of Ind AS 108, "Operating Segments" as the turnover of agri seeds segment is less than 10% of total group turnover, no additional disclosure is required under Ind AS 108 Operating Segments.
- 6 The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activities. COVID-19 has caused interruption in production, supply chain disruption, unavailability of personnel, etc. during the last week of March, 2020 and thereafter. The management of group has exercised due care in concluding significant accounting judgements and estimates in preparation of financial results. In assessing the recoverability of Trade Receivables, the company has considered subsequent recoveries, past trends, credit risk profile of the customers and internal and external information available up to the date of issuance of these financial results. In assessing the recoverability of Inventories, the company has considered the latest selling prices, customers orders on hand and margin. Based on the above assessment, the group is of the view that the carrying amounts of trade receivables and inventories are expected to be realisable to the extent shown in financial results. The impact of COVID-19 may be different from the estimates as at the date of approval of these financial results and the group will continue to closely monitor the development.
- 7 Sayaji Corn Products Limited, a wholly owned subsidiary company of the Sayaji Industries Limited (SIL) having investment of Rs. 5.00 lakhs, has applied to the Registrar of Companies, Gujarat for removing its name from the register of Companies under the relevant provisions of the Companies Act, 2013, which is under process of strike off as at the end of the financial year. SIL has written off the entire cost of investments in Sayaji Corn Products Limited as its net worth is fully eroded. As Sayaji Corn Products Limited has ceased to be a subsidiary of SIL, there is no requirement of or question of consolidation of Sayaji Corn Products Limited in this consolidated financial results.
- 8 Figures for financial results for the quarter ended March 31, 2020 and corresponding quarter ended in previous year as reported in these financial results are the balancing figures between the audited figures in respect of the full financial year and published year to date figures upto the end of third quarter of the respective financial year.
- 9 Figures for the previous period/year have been regrouped/rearranged to make the same comparable with current period/year figures.

For and on behalf of the Board of Directors

VARUN  
PRIYAMBHAI  
MEHTA

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Ahmedabad, Gujarat: June 29, 2020

Varun Priyam Mehta  
Executive Director  
DIN: 00900734

**SAYAJI INDUSTRIES LIMITED**  
**Statement of Audited Consolidated Assets and Liabilities**

(₹ in lakhs unless otherwise stated)

| Particulars  | As at            |                  |
|--|------------------|------------------|
|  | March 31, 2020   | March 31, 2019   |
|  | Audited          | Audited          |
| <b>ASSETS</b>  |                  |                  |
| <b>Non-current assets</b>  |                  |                  |
| (a) Property, plant and equipment  | 20,126.96        | 20,486.02        |
| (b) Capital work-in-progress   | 962.97           | 389.04           |
| (c) Other Intangible assets  | 118.48           | 102.05           |
| (d) Financial assets   |                  |                  |
| (i) Investments  | 259.08           | 3.50             |
| (ii) Other financial assets  | 239.41           | 40.73            |
| (e) Deferred tax assets (net)  | 8.15             | 4.10             |
| (f) Non-current tax assets (net)   | 131.91           | 227.49           |
| (g) Other non-current assets   | 494.80           | 279.54           |
| <b>Total non-current assets</b>  | <b>22,341.76</b> | <b>21,532.47</b> |
| <b>Current assets</b>  |                  |                  |
| (a) Inventories  | 5,597.34         | 5,397.86         |
| (b) Financial assets   |                  |                  |
| (i) Trade receivables  | 5,377.63         | 4,594.40         |
| (ii) Cash and cash equivalents   | 40.56            | 72.70            |
| (iii) Bank balances other than (ii) above  | 49.02            | 217.34           |
| (iv) Other financial assets  | 434.50           | 309.69           |
| (c) Current tax assets (net)   | 121.03           | 0.26             |
| (d) Other current assets   | 608.42           | 806.20           |
| <b>Total current assets</b>  | <b>12,228.50</b> | <b>11,398.45</b> |
| <b>Total Assets</b>  | <b>34,570.26</b> | <b>32,930.92</b> |
| <b>EQUITY AND LIABILITIES</b>  |                  |                  |
| <b>Equity</b>  |                  |                  |
| (a) Equity share capital   | 316.00           | 316.00           |
| (b) Other equity   | 7,372.13         | 7,726.73         |
| <b>Equity attributable to equity holders of the parent</b>                                 | <b>7,688.13</b>  | <b>8,042.73</b>  |
| (c) Non-controlling interest   | 19.16            | 86.44            |
| <b>Total equity</b>  | <b>7,707.29</b>  | <b>8,129.17</b>  |
| <b>Liabilities</b>   |                  |                  |
| <b>Non-current liabilities</b>   |                  |                  |
| (a) Financial liabilities  |                  |                  |
| (i) Borrowings   | 4,771.27         | 5,815.45         |
| (ii) Other financial liabilities   | 65.14            | 51.69            |
| (b) Provisions   | 179.38           | 265.52           |
| (c) Deferred tax liabilities (net)   | 1,110.53         | 1,390.46         |
| (d) Non-current tax liabilities (Net)  | -                | -                |
| <b>Total non-current liabilities</b>   | <b>6,126.32</b>  | <b>7,523.12</b>  |
| <b>Current liabilities</b>   |                  |                  |
| (a) Financial liabilities  |                  |                  |
| (i) Borrowings   | 7,663.12         | 7,792.13         |
| (ii) Trade payables  |                  |                  |
| (a) Total outstanding dues of micro enterprises and small enterprises                      | 39.94            | 5.81             |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 9,560.55         | 5,473.07         |
| (iii) Other financial liabilities  | 2,359.16         | 2,390.65         |
| (b) Other current liabilities  | 911.83           | 1,292.48         |
| (c) Provisions   | 202.05           | 324.49           |
| <b>Total current liabilities</b>   | <b>20,736.65</b> | <b>17,278.63</b> |
| <b>Total liabilities</b>   | <b>26,862.97</b> | <b>24,801.75</b> |
| <b>Total Equity and Liabilities</b>  | <b>34,570.26</b> | <b>32,930.92</b> |

Ahmedabad, Gujarat: June 29, 2020



For and on behalf of the Board of Directors

**VARUN  
 PRIYAMBHAI  
 MEHTA**

**Varun Priyam Mehta**  
 Executive Director  
 DIN: 00900734

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**SAYAJI INDUSTRIES LIMITED**  
**Statement of Audited Consolidated Cash Flows**

(₹ In lakhs unless otherwise stated)

| Particulars   | For the year ended<br>March 31, 2020 | For the year ended<br>March 31, 2019 |
|---|--------------------------------------|--------------------------------------|
|   | Audited                              | Audited                              |
| <b>A Cash flow from operating activities:</b>                         |                                      |                                      |
| Net profit before tax   | (530.75)                             | 3,322.52                             |
| Adjustments for:  |                                      |                                      |
| (a) Depreciation and amortisation                                     | 1,146.24                             | 995.58                               |
| (b) Interest expenses   | 1,663.20                             | 1,236.90                             |
| (c) Dividend income   | (0.04)                               | (292.85)                             |
| (d) Interest income   | (13.89)                              | (14.54)                              |
| (e) Provision for doubtful debts and advances                         | 158.66                               | 8.46                                 |
| (f) Loss/(Profit) from Joint Venture                                  | 90.92                                | -                                    |
| (g) Loss/(Profit) on sale of property, plant and equipment            | (151.98)                             | 23.21                                |
| (h) Loss/(Profit) on sale of investments/written off                  | 5.99                                 | (2,116.30)                           |
| (i) MTM loss on long term investment                                  | -                                    | 0.11                                 |
| (j) MTM (gain) of derivative financial instruments                    | -                                    | (0.37)                               |
| (k) Unrealised exchange fluctuation (gain)                            | 49.77                                | (81.54)                              |
| <b>Operating profit before working capital changes:</b>               | <b>2,418.12</b>                      | <b>3,081.18</b>                      |
| Adjustments for:  |                                      |                                      |
| (a) Trade and other receivables                                       | (1,327.88)                           | (1,211.48)                           |
| (b) Inventories   | (596.29)                             | (983.35)                             |
| (c) Trade and other payables  | 3,879.39                             | 1,937.45                             |
| <b>Cash generated from operations:</b>                                | <b>4,373.34</b>                      | <b>2,823.80</b>                      |
| Less: Income taxes paid (net)   | 26.19                                | 546.76                               |
| <b>Net cash (used in) / generated from operating activities - (A)</b> | <b>4,347.15</b>                      | <b>2,277.04</b>                      |
| <b>B Cash flow from investing activities:</b>                         |                                      |                                      |
| (a) Purchase of property, plant and equipment and intangible assets   | (2,266.70)                           | (6,136.69)                           |
| (b) Sale of property, plant and equipment                             | 189.61                               | 42.20                                |
| (c) Purchase of investments   | (134.95)                             | -                                    |
| (d) Sale of investments in joint venture/mutual fund                  | 2.51                                 | 2,255.86                             |
| (e) Dividend received   | 0.04                                 | 292.85                               |
| (f) Interest received   | 13.89                                | 14.54                                |
| (g) Bank deposits received/(placed)                                   | 40.07                                | 9.60                                 |
| (h) Margin money or security deposits received/(placed)               | (102.74)                             | 0.20                                 |
| (i) Balance in earmarked accounts                                     | 3.25                                 | (2.49)                               |
| <b>Net cash (used in) / generated from investing activities - (B)</b> | <b>(2,255.03)</b>                    | <b>(3,523.92)</b>                    |



**SAYAJI INDUSTRIES LIMITED**  
Statement of Audited Consolidated Cash Flows

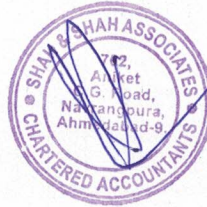
(₹ In lakhs unless otherwise stated)

|          |  |                   |                 |
|----------|--|-------------------|-----------------|
| <b>C</b> | <b>Cash flow from financing activities:</b>  |                   |                 |
|          | (a) (Repayment)/Proceeds of borrowings   | (295.83)          | 2,569.63        |
|          | (b) Interest paid  | (1,667.50)        | (1,207.34)      |
|          | (c) Dividend & tax thereon paid  | (155.63)          | (140.37)        |
|          | <b>Net cash (used in)/generated financing activities - (C)</b>   | <b>(2,118.96)</b> | <b>1,221.93</b> |
|          | <b>Net increase/(decrease) in cash and cash equivalents - (A+B+C)</b>                                      | <b>(26.84)</b>    | <b>(24.96)</b>  |
|          | Add: Cash and cash equivalents at the beginning of the year  | 72.70             | 97.66           |
|          | Less: Cash and cash equivalents at the beginning of the year belonging to the Joint venture and subsidiary | 5.30              | -               |
|          | <b>Cash and cash equivalents at the end of the year</b>  | <b>40.56</b>      | <b>72.70</b>    |

For and on behalf of the Board of Directors

**VARUN  
 PRIYAMBHAI  
 MEHTA**

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Ahmedabad, Gujarat: June 29, 2020

Varun Priyam Mehta  
 Executive Director  
 DIN: 00900734

**INDEPENDENT AUDITOR'S REPORT ON THE QUARTERLY AND YEAR TO DATE  
AUDITED CONSOLIDATED FINANCIAL RESULTS OF THE COMPANY PURSUANT TO  
REGULATIONS 33 OF SEBI (Listing Obligation and disclosure requirement)  
Regulations, 2015, as amended**

**TO THE BOARD OF DIRECTORS OF SAYAJI INDUSTRIES LIMITED**

**Report on the audit of the Consolidated Financial Results**

**Opinion**

We have audited the accompanying Consolidated Financial Results of **SAYAJI INDUSTRIES LIMITED** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group") and a joint venture for the quarter and year ended on 31st March, 2020 (the "Statement") being submitted by the parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditors on separate audited financial statements of a subsidiary and a joint venture referred to in Other Matters section below, the Statement:

- i. includes the result of the following entities:
  - (a) Sayaji Seeds LLP; a subsidiary of the Parent and
  - (b) Alland & Sayaji LLP (formerly known as Sayaji Ingritech LLP), a Joint venture.
- ii. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii. gives 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 consolidated net profit for the quarter ended on 31st March, 2020, consolidated net loss for the year ended on 31st March, 2020, consolidated total comprehensive income and other financial information of the Group for the quarter and year ended 31st 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 (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 together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, 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.



### **Management's Responsibilities for the Consolidated Financial Results**

The Statement has been prepared on the basis of the audited consolidated financial statements. The Parent's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the applicable Accounting Standard 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement 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 Statement.

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 Statement, 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.





**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

702, ANIKET,  
Nr. MUNICIPAL MARKET,  
C.G. ROAD, NAVRANGPURA,  
AHMEDABAD - 380 009.  
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Email: ca@shahandshah.co.in

- Conclude on the appropriateness of the Board of Directors' 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the entities within the Group and its joint venture to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of the financial information of an entity included in the Consolidated Financial Results of which we are the independent auditors. For other entities included in the Annual Consolidated financial Results, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

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 Matter:**

- (i) The Statement includes the results for the quarter ended 31<sup>st</sup> March, 2020 being the balancing figure between audited figures in respect of the full financial year ended 31<sup>st</sup> March, 2020 and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us, as required under the Listing Regulations.
- (ii) We did not audit the financial statements of a subsidiary whose financial statements reflect total assets of Rs.1461.84 lakhs as at 31st March, 2020, total revenues of Rs.363.55 lakhs and Rs.1837.74 lakhs, total comprehensive loss of Rs.1.45 lakhs and Rs.2.35 lakhs for the quarter and year ended on 31<sup>st</sup> March, 2020 respectively and net cash inflow of Rs.1.49 lakhs for the year ended on 31<sup>st</sup> March, 2020 included in the statement, as considered in the consolidated financial statements. This financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditors and procedures performed by us as stated in "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section.



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

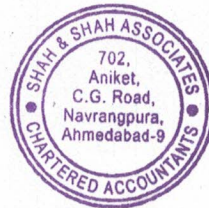
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- (iii) As stated in Note-7, there is no requirement of consolidation of Sayaji Corn Products Ltd.in this consolidated financial results.
- (iv) The financial statements includes the Group's Share of net loss of Rs. 61.56 and of Rs.90.92 lakhs for the quarter and for the year ended on 31st March, 2020 respectively, as considered in the consolidated financial statements, in respect of a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture, is based solely on the reports of the other auditors and procedures performed by us as stated in "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" paragraph.

Our opinion is not qualified in respect of these matters.

For **SHAH & SHAH ASSOCIATES**

Chartered Accountants  
Firm Regn. No. 113742W



*Bharat A. Shah*

Partner

**BHARAT A.SHAH**

Membership No. 30167

UDIN: *20030167AAAAW6002*

Place : Ahmedabad.

Date : 29/06/2020

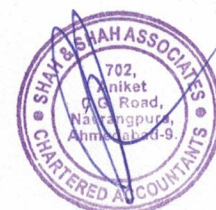
**SAYAJI INDUSTRIES LIMITED**  
**Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2020**

(₹ in lakhs unless otherwise stated)

| Particulars  | Quarter ended    |                   |                  | Year ended       |                  |
|--|------------------|-------------------|------------------|------------------|------------------|
|  | March 31, 2020   | December 31, 2019 | March 31, 2019   | March 31, 2020   | March 31, 2019   |
|  | Audited          | Unaudited         | Audited          | Audited          | Audited          |
| <b>Income:</b>   |                  |                   |                  |                  |                  |
| I (a) Revenue from operations  | 15,433.67        | 15,398.90         | 17,178.98        | 62,020.13        | 62,122.95        |
| II (b) Other income  | 15.60            | 23.34             | 119.84           | 408.30           | 508.91           |
| III <b>Total Income</b>  | <b>15,449.27</b> | <b>15,422.24</b>  | <b>17,298.82</b> | <b>62,428.43</b> | <b>62,631.86</b> |
| <b>Expenses:</b>   |                  |                   |                  |                  |                  |
| IV (a) Cost of materials consumed  | 11,227.74        | 11,373.00         | 13,356.46        | 45,253.70        | 42,713.74        |
| (b) Purchase of stock-in-trade   | 3.85             | 112.72            | 34.30            | 271.78           | 43.48            |
| (c) Changes in inventories of finished goods and work-in-progress  | (113.44)         | (181.66)          | (711.80)         | (337.33)         | (605.74)         |
| (d) Employee benefits expense  | 1,073.67         | 1,064.79          | 847.78           | 4,512.86         | 4,770.19         |
| (e) Finance cost   | 356.53           | 406.60            | 337.00           | 1,577.67         | 1,165.78         |
| (f) Depreciation and amortisation expense  | 284.68           | 281.10            | 256.01           | 1,118.68         | 936.29           |
| (g) Other expenses   | 2,686.77         | 2,359.69          | 2,910.83         | 10,555.42        | 12,426.54        |
| <b>Total expenses</b>  | <b>15,519.80</b> | <b>15,416.24</b>  | <b>17,030.58</b> | <b>62,952.78</b> | <b>61,450.28</b> |
| V <b>Profit before exceptional items &amp; tax (III-IV)</b>  | <b>(70.53)</b>   | <b>6.00</b>       | <b>268.24</b>    | <b>(524.35)</b>  | <b>1,181.58</b>  |
| VI <b>Exceptional items (refer note no. 4)</b>   | -                | -                 | -                | -                | 2,116.30         |
| VII <b>Profit / (Loss) before Tax (V+VI)</b>   | <b>(70.53)</b>   | <b>6.00</b>       | <b>268.24</b>    | <b>(524.35)</b>  | <b>3,297.88</b>  |
| VIII <b>Tax expense</b>  |                  |                   |                  |                  |                  |
| (a) Current tax  | -                | (0.01)            | (167.12)         | 0.74             | 403.19           |
| (b) Deferred tax   | (146.20)         | 3.14              | 381.21           | (292.72)         | 374.66           |
| IX <b>Profit / (Loss) after tax (VII-VIII)</b>   | <b>75.67</b>     | <b>2.87</b>       | <b>54.15</b>     | <b>(232.37)</b>  | <b>2,520.03</b>  |
| X <b>Other comprehensive income</b>  |                  |                   |                  |                  |                  |
| (a) Items that will not be reclassified to Profit or Loss (net of tax)                                       | (5.15)           | 75.53             | (19.37)          | 32.03            | (19.37)          |
| (b) Items that will be reclassified to Profit or Loss (net of tax)   | -                | -                 | -                | -                | -                |
| XI <b>Total comprehensive income for the period/year</b>   | <b>70.52</b>     | <b>78.40</b>      | <b>34.78</b>     | <b>(200.34)</b>  | <b>2,500.66</b>  |
| XII <b>Paid-up equity share capital (face value of share ₹ 5 each)</b>                                       | 316.00           | 316.00            | 316.00           | 316.00           | 316.00           |
| XIII <b>Other equity excluding revaluation reserves as at March 31, 2020 / 2019</b>                          |                  |                   |                  | 7,374.11         | 7,726.83         |
| XIV <b>Earnings per equity share (in ₹) (not annualised except for the year ended March 31, 2020 / 2019)</b> |                  |                   |                  |                  |                  |
| (a) Basic  | 1.20             | 0.05              | 0.86             | (3.68)           | 39.87            |
| (b) Diluted  | 1.20             | 0.05              | 0.86             | (3.68)           | 39.87            |

**Notes for the audited standalone financial results of the company:**

- These audited financial results have been prepared in accordance with the Indian Accounting standard (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules as amended from time to time. These financial results were reviewed by the audit committee and thereafter have been approved by the board of directors at its meeting held on Monday, June 29, 2020.
- The statement of financials results has been audited by the statutory auditors. The statutory auditors have issued an unmodified audit opinion on the financial results. The audit report has been filed with the stock exchanges and is also available on the company's website.
- The Company operates in a single segment i.e. manufacturers of Starch and its derivatives and hence does not have any additional disclosure to be made under Ind AS 108 "Operating Segments".
- Exceptional items of INR 2,116.30 lakhs is in respect of profit on sale of shares held by the company in Sayaji Sethness Limited, a Joint Venture Company in September, 2018.
- The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activities. COVID-19 has caused interruption in production, supply chain disruption, unavailability of personnel, etc. during the last week of March, 2020 and thereafter. The management of company has exercised due care in concluding significant accounting judgements and estimates in preparation of financial results. In assessing the recoverability of Trade Receivables, the company has considered subsequent recoveries, past trends, credit risk profile of the customers and internal and external information available up to the date of issuance of these financial results. In assessing the recoverability of Inventories, the company has considered the latest selling prices, customers orders on hand and margin. Based on the above assessment, the company is of the view that the carrying amounts of trade receivables and inventories are expected to be realised to the extent shown in financial results. The impact of COVID-19 may be different from the estimates as at the date of approval of these financial results and the company will continue to closely monitor the development.



- 6 Pursuant to the Taxation Laws (Amendment) Act, 2019, effective from April 01, 2019, domestic companies have an option to pay corporate income tax at the rate 22% plus applicable surcharge and cess (New Tax Rate) subject to certain conditions. The Company has made an assessment of the impact on the Taxation Laws (Amendment) Act, 2019 and decided to continue with the existing tax structure until utilisation of accumulate minimum alternative tax (MAT) credits and unabsorbed depreciation.
- 7 Figures for financial results for the quarter ended March 31, 2020 and corresponding quarter ended in previous year as reported in these financial results are the balancing figures between the audited figures in respect of the full financial year and published year to date figures upto the end of third quarter of the respective financial year which were subjected to limited review by the auditors.
- 8 Figures for the previous period/year have been regrouped/rearranged to make the same comparable with current period/year figures.

For and on behalf of the Board of Directors

**VARUN  
PRIYAMBHAI  
MEHTA**

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Varun Priyam Mehta  
Executive Director  
DIN: 00900734

Ahmedabad, Gujarat : June 29, 2020



**SAYAJI INDUSTRIES LIMITED**  
**Statement of Audited Standalone Assets and Liabilities**

(₹ in lakhs unless otherwise stated)

| Particulars  | As at            |                  |
|--|------------------|------------------|
|  | March 31, 2020   | March 31, 2019   |
|  | Audited          | Audited          |
| <b>ASSETS</b>  |                  |                  |
| <b>Non-current assets</b>  |                  |                  |
| (a) Property, plant and equipment  | 20,095.67        | 19,817.64        |
| (b) Capital work-in-progress   | 962.97           | 389.04           |
| (c) Other Intangible assets  | 33.10            | 52.15            |
| (d) Financial assets   |                  |                  |
| (i) Investments  | 724.21           | 455.24           |
| (ii) Other financial assets  | 238.71           | 11.21            |
| (e) Non-current tax assets (net)   | 131.91           | 227.49           |
| (f) Other non-current assets   | 494.80           | 279.54           |
| <b>Total non-current assets</b>  | <b>22,681.37</b> | <b>21,232.31</b> |
| <b>Current assets</b>  |                  |                  |
| (a) Inventories  | 4,740.91         | 4,478.39         |
| (b) Financial assets   |                  |                  |
| (i) Trade receivables  | 4,691.05         | 3,963.43         |
| (ii) Cash and cash equivalents   | 33.50            | 61.83            |
| (iii) Bank balances other than above (ii)  | 49.02            | 217.34           |
| (iv) Other financial assets  | 435.70           | 573.76           |
| (c) Current tax assets (net)   | 121.03           | -                |
| (d) Other current assets   | 355.84           | 450.65           |
| <b>Total current assets</b>  | <b>10,427.05</b> | <b>9,745.40</b>  |
| <b>Total assets</b>  | <b>33,108.42</b> | <b>30,977.71</b> |
| <b>EQUITY AND LIABILITIES</b>  |                  |                  |
| <b>Equity</b>  |                  |                  |
| (a) Equity share capital   | 316.00           | 316.00           |
| (b) Other equity   | 7,374.11         | 7,726.83         |
| <b>Total equity</b>  | <b>7,690.11</b>  | <b>8,042.83</b>  |
| <b>Liabilities</b>   |                  |                  |
| <b>Non-current liabilities</b>   |                  |                  |
| (a) Financial liabilities  |                  |                  |
| (i) Borrowings   | 4,771.27         | 5,602.43         |
| (ii) Other financial liabilities   | 2.20             | 12.99            |
| (b) Provisions   | 171.07           | 265.52           |
| (c) Deferred tax liabilities (net)   | 1,110.53         | 1,388.71         |
| <b>Total non-current liabilities</b>   | <b>6,055.07</b>  | <b>7,269.65</b>  |
| <b>Current liabilities</b>   |                  |                  |
| (a) Financial liabilities  |                  |                  |
| (i) Borrowings   | 6,706.27         | 6,682.34         |
| (ii) Trade payables  |                  |                  |
| (a) Total outstanding dues to micro enterprises and small enterprises                      | 39.94            | 5.81             |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 9,350.04         | 5,186.52         |
| (iii) Other financial liabilities  | 2,330.38         | 2,257.25         |
| (b) Other current liabilities  | 737.05           | 1,208.82         |
| (c) Provisions   | 199.56           | 324.49           |
| <b>Total current liabilities</b>   | <b>19,363.24</b> | <b>15,665.23</b> |
| <b>Total liabilities</b>   | <b>25,418.31</b> | <b>22,934.88</b> |
| <b>Total equity and liabilities</b>  | <b>33,108.42</b> | <b>30,977.71</b> |

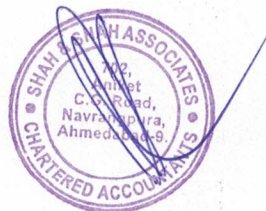
For and on behalf of the Board of Directors

**VARUN  
 PRIYAMBHAI  
 MEHTA**

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Varun Priyam Mehta  
 Executive Director  
 DIN: 00900734

Ahmedabad, Gujarat : June 29, 2020



**SAYAJI INDUSTRIES LIMITED**  
**Statement of Audited Standalone Cash Flows**

(₹ in lakhs unless otherwise stated)

| Particulars   | For the year ended<br>March 31, 2020 | For the year ended<br>March 31, 2019 |
|---|--------------------------------------|--------------------------------------|
|   | Audited                              | Audited                              |
| <b>A Cash flow from operating activities:</b>                           |                                      |                                      |
| Net profit before tax   |                                      |                                      |
| Adjustments for:  | (524.35)                             | 3,297.88                             |
| (a) Depreciation and amortisation                                       | 1,118.68                             | 936.29                               |
| (b) Interest expenses   | 1,577.67                             | 1,165.78                             |
| (c) Dividend income   | (0.04)                               | (292.85)                             |
| (d) Interest income   | (13.89)                              | (13.25)                              |
| (e) Share of (profit)/loss in Alland & Sayaji LLP                       | 88.91                                | (33.29)                              |
| (f) Share of (profit)/loss in Sayaji Seeds LLP                          | 8.58                                 | 8.32                                 |
| (g) Provision for credit impaired of trade receivable/doubtful advances | 158.66                               | 8.46                                 |
| (h) Loss/(Profit) on sale of property, plant and equipment              | (151.98)                             | 23.21                                |
| (i) Loss/(Profit) on sale of investments/written off                    | 5.99                                 | (2,116.30)                           |
| (j) MTM loss/fair value on/of long term investment                      | -                                    | 0.11                                 |
| (k) MTM (gain) of derivative financial instruments                      | -                                    | (0.37)                               |
| (l) Unrealised exchange fluctuation loss/(gain)                         | 49.77                                | (81.54)                              |
| <b>Operating profit before working capital changes:</b>                 | 2,318.00                             | 2,902.45                             |
| Adjustments for:  |                                      |                                      |
| (a) Trade and other receivables   | (709.61)                             | (862.99)                             |
| (b) Inventories   | (262.52)                             | (733.72)                             |
| (c) Trade and other payables  | 3,289.43                             | 1,792.04                             |
| <b>Cash generated from operations activities:</b>                       | 4,635.30                             | 3,097.78                             |
| Less: Income taxes paid (net)   | 26.19                                | 546.96                               |
| <b>Net cash (used in) / generated from operating activities - (A)</b>   | 4,609.11                             | 2,550.82                             |
| <b>B Cash flow from investing activities:</b>                           |                                      |                                      |
| (a) Purchase of property, plant and equipment                           | (2,198.04)                           | (6,074.13)                           |
| (b) Sale of property, plant and equipment                               | 189.61                               | 38.05                                |
| (c) Purchase of investments   | (374.95)                             | (60.00)                              |
| (d) Sale of investments in joint venture/mutual fund                    | 2.51                                 | 2,255.86                             |
| (e) Dividend received   | 0.04                                 | 292.85                               |
| (f) Interest received   | 13.89                                | 13.25                                |
| (g) Bank deposits received/(placed)                                     | 40.07                                | 9.60                                 |
| (h) Margin money or security deposits received/(placed)                 | (102.50)                             | -                                    |
| (i) Balance in earmarked accounts                                       | 3.25                                 | (2.49)                               |
| <b>Net cash (used in) / generated from investing activities - (B)</b>   | (2,426.12)                           | (3,527.00)                           |
| <b>C Cash flow from financing activities:</b>                           |                                      |                                      |
| (a) (Repayment)/Proceeds of borrowings                                  | (473.30)                             | 2,234.17                             |
| (b) Interest paid   | (1,582.39)                           | (1,139.48)                           |
| (c) Dividend & tax thereon paid   | (155.63)                             | (140.38)                             |
| <b>Net cash (used in)/generated financing activities - (c)</b>          | (2,211.32)                           | 954.31                               |
| <b>Net increase/(decrease) in cash and cash equivalents - (A+B+C)</b>   | (28.33)                              | (21.88)                              |
| Add: Cash and cash equivalents at the beginning of the year             | 61.83                                | 83.71                                |
| <b>Cash and cash equivalents at the year ended</b>                      | 33.50                                | 61.83                                |

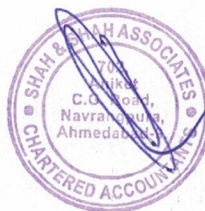
For and on behalf of the Board of Directors

**VARUN  
 PRIYAMBH  
 AI MEHTA**

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 Date: 2020.06.29 17:34:04 +05'30'

Varun Priyam Mehta  
 Executive Director  
 DIN: 00900734

Ahmedabad, Gujarat : June 29, 2020



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**CHARTERED ACCOUNTANTS**

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**INDEPENDENT AUDITOR'S REPORT ON THE QUARTERLY AND YEAR TO DATE  
AUDITED STANDALONE FINANCIAL RESULTS OF THE COMPANY PURSUANT TO  
REGULATIONS 33 OF SEBI (Listing Obligation and disclosure requirement)  
Regulations, 2015, as amended.**

**TO THE BOARD OF DIRECTORS OF SAYAJI INDUSTRIES LIMITED**

**Report on the audit of the Standalone Financial Results**

**Opinion**

We have audited the accompanying Standalone Financial Results of **SAYAJI INDUSTRIES LIMITED** ("the Company") for the quarter and year ended on 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 (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us the Statement:

- i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. gives 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 for the quarter ended on 31st March, 2020, net loss for the year ended on 31st March, 2020, other comprehensive income and other financial information for the quarter and year ended 31st 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 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 results under the provisions of the Companies Act, 2013 and the Rules thereunder, 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.

**Management's Responsibilities for the Standalone Financial Results**

The Statement has been prepared on the basis of the Audited Standalone financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the applicable Accounting Standard 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 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



**SHAH & SHAH ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

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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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are 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 is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement 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 Statement.

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 Statement, 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 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 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 Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.





