



**khaitan (India) Limited**

CIN No. L10000WB1936PLC008775

Phone : (033) 4050 5000

Fax : (033) 2288 3961

Ref: KIL:SEC:23:2020-21

Date : 18/08/2020

To  
Dept of Corporate Service  
**BSE Limited**  
Floor 25, F.J.Towers, Dalal Street,  
Mumbai -400 001

Dear Sir,

**Sub: Discrepancies in Financial Results**

In relation to your mail dated 10.08.2020 please find attached Financial Results with Cash Flow Statement enclosed that was earlier not uploaded due to oversight

Thanking You

Yours Faithfully  
For Khaitan (India) Limited

*Pradip Halder*

**Pradip Halder**  
**Company Secretary & Compliance Officer**

Copy to:

To  
Listing Compliance,  
National Stock Exchange India Limited,  
Exchange Plaza, C-1, Block-G,  
Bandra Kurla Complex, Bandra-(East).  
Mumbai-400051

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

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

### Report on the Audit of the Financial Results

#### 1. Opinion

We have audited the accompanying statement of quarterly and year to date financial results of **Khaitan (India) Limited** (the "Company") for the quarter ended 31 March 2020 and for the year ended 31 March 2020 ("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").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter as described in the Basis of Qualified Opinion section of our report, the aforesaid financial statement for the quarter and for the year ended March 31 2020

- i) is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii) gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information of the Company for the quarter and for the year then ended.

#### 2. Basis for Qualified Opinion

- a. Balances of deferred tax assets has not been carried in the financial statements at Rs. 3,26,43,751/-. Considering the absence of the reasonable certainty as regards to realization of the said balances in the coming years, the same needs to be provided for. Had the said balances of Deferred Taxes has been fully provided for, the losses would have gone up by Rs. 8,16,97,532/- and the net worth would have reduced by the said extent.

- b. 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.

The above matters were also qualified by our predecessor auditor in the report for the financial ended march 31<sup>st</sup> 2019.

- c. The biological assets amounting to Rs. 2,57,00,854/- 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.

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the 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 Act 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

### **3. Emphasis of Matter**

Without modifying our opinion :

- a) Reference is invited to Note No - 3 to the financial statements regarding 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) 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) Reference is invited to Note No- 5 to the financial statements detailing 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. The account has been prepared on going concern basis.
- d) As more described fully in Note No- 10 to assess the recoverability of certain assets, the company has considered internal and external information upto 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.

#### **4. Management's Responsibilities for the Financial Results**

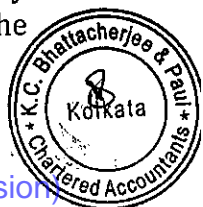
The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, 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 are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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



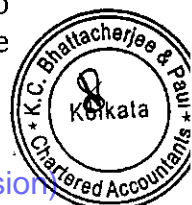
basis of the Statement.

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. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 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 represents the underlying transactions and events in a manner that achieves fair presentation.

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



**6. Other Matter**

- a. The Statement includes the financial results for the quarter ended 31<sup>st</sup> March 2020. Being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.
- b. The comparative financial information of the company for the corresponding quarter and financial year ended 31 03 2019 were audited by the predecessor auditor. We have placed reliance on the reports given by the predecessor auditor for the purpose of these financial statements and report thereon.

Our opinion is not modified in respect of the above matters.

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

*Anjan Ghosh*

**Anjan Ghosh**  
(Partner)

Membership No.: 066509  
UDIN: 20066509AAAABC7527



Place: Kolkata  
Date: 31 07 2020

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020

Rs. In Lakhs

| Sl. No. | Particulars   | Quarter Ended     |                 |                 | Year ended        |                   |
|---------|---|-------------------|-----------------|-----------------|-------------------|-------------------|
|         |   | 31.03.2020        | 31.12.2019      | 31.03.2019      | 31.03.20          | 31.03.19          |
|         |   | Audited           | Unaudited       | Audited         | Audited           |                   |
| 1       | <b>Income:</b>  |                   |                 |                 |                   |                   |
| a       | Revenue from Operations   | 981.67            | 1,307.03        | 2,246.97        | 5,664.91          | 10,025.14         |
| b       | Other Income  | 14.61             | 11.77           | 15.15           | 43.63             | 42.99             |
|         | <b>Total Income</b>   | <b>996.28</b>     | <b>1,318.80</b> | <b>2,262.12</b> | <b>5,708.54</b>   | <b>10,068.13</b>  |
| 2       | <b>Expenses:</b>  |                   |                 |                 |                   |                   |
| a       | Cost of Materials Consumed  | -                 | -               | 0.04            | -                 | 8.89              |
| b       | Purchases of Trading Goods  | 909.75            | 1,000.09        | 1,684.52        | 4,432.32          | 6,695.74          |
| c       | Changes in inventories of finished goods, work-in-progress and stock-in-trade               | 47.45             | (26.45)         | 166.80          | 57.94             | 1,021.70          |
| d       | Employee benefits expense   | 216.30            | 146.79          | 250.01          | 659.17            | 896.09            |
| e       | Finance Cost  | 42.30             | 52.08           | 60.27           | 217.55            | 267.69            |
| f       | Depreciation & Amortisation Expenses  | 45.15             | 45.54           | 45.27           | 180.92            | 180.96            |
| g       | Other expenses  | 161.12            | 151.56          | 200.49          | 651.18            | 937.80            |
|         | <b>Total Expenses</b>   | <b>1,422.07</b>   | <b>1,369.61</b> | <b>2,407.40</b> | <b>6,199.08</b>   | <b>10,008.87</b>  |
| 3       | <b>Profit before Tax (1-2)</b>  | <b>(425.79)</b>   | <b>(50.81)</b>  | <b>(145.28)</b> | <b>(490.54)</b>   | <b>59.26</b>      |
| 4       | <b>Tax Expenses:</b>  |                   |                 |                 |                   |                   |
|         | Current Tax   | -                 | -               | -               | -                 | -                 |
|         | Deferred Tax  | -                 | -               | -               | -                 | -                 |
|         | <b>Total tax expenses</b>   | <b>-</b>          | <b>-</b>        | <b>-</b>        | <b>-</b>          | <b>-</b>          |
| 5       | <b>Profit for the year (3-4)</b>  | <b>(425.79)</b>   | <b>(50.81)</b>  | <b>(145.28)</b> | <b>(490.54)</b>   | <b>59.26</b>      |
| 6       | <b>Other Comprehensive Income</b>   |                   |                 |                 |                   |                   |
| A       | (i) Items that will not be reclassified to profit or loss                                   | (637.25)          | -               | (261.33)        | (634.69)          | (261.33)          |
|         | (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               | -                 | -               | -               | -                 | -                 |
|         | <b>Other Comprehensive Income for the Year</b>  | <b>(637.25)</b>   | <b>-</b>        | <b>(261.33)</b> | <b>(634.69)</b>   | <b>(261.33)</b>   |
| 7       | <b>Total Comprehensive Income for the Year</b>  | <b>(1,063.04)</b> | <b>(50.81)</b>  | <b>(406.61)</b> | <b>(1,125.23)</b> | <b>(202.07)</b>   |
| 8       | <b>Paidup Equity Share Capital (Face Value per share Rs.10/-)</b>                           | <b>475.00</b>     | <b>475.00</b>   | <b>475.00</b>   | <b>475.00</b>     | <b>475.00</b>     |
| 9       | <b>Reserve and Surplus (Excluding Revaluation Reserve) as per Balance Sheet of Year End</b> | <b>-</b>          | <b>-</b>        | <b>-</b>        | <b>(1,694.26)</b> | <b>(1,059.57)</b> |
| 10      | <b>Earning Per equity share of Rs.10/- each Basic and Diluted (Rs.)</b>                     | <b>(8.96)</b>     | <b>(1.07)</b>   | <b>(3.06)</b>   | <b>(10.33)</b>    | <b>1.25</b>       |

- Notes:**
- 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 31<sup>st</sup> July, 2020. The statutory auditors have carried out an audit of these financial results and have given modified opinion on the same.
  - 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.
  - 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.
  - 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.
  - 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.
  - The Management has opted not to apply the Expected Credit Loss (ECL) Model for the provision of Trade Receivables for the Year ended 31<sup>st</sup> March, 2020.
  - 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.
  - Considering the past and current losses, management has not recognised deferred tax on timing differences in the current financial year.
  - 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.



|     |  |
|-----|--|
| 10) | The spread of Covid-19 from March 2020 is having an unprecedented impact on people and economy. 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. |
| 11) | The Government of India has pronounced Section 115BAA of Income Tax Act, 1961 through Taxation Laws (Amendment) Ordinance, 2019 which provides domestic companies a non-reversible option to pay corporate tax at reduced rate effective from 1st April, 2019 subject to compliance of certain conditions. Company is currently in the process of evaluating this option and continues to recognise the taxes on income for the year ended 31st March 2020 as per the earlier provisions of the Income Tax Act, 1961.  |
| 12) | The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year up to 31st March 2020 and the unaudited published year to date figures up to December 31st 2019, being the date of the end of the third quarter of the financial year which were subjected to limited review.  |
| 13) | 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.   |
| 14) | 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: 31st July, 2020




By Order of the Board of Directors  
Sunny Krishna Khaitan  
Executive Director



KHAITAN INDIA LIMITED  
 REG. OFFICE 46C, J.L. NEHRU ROAD KOLKATA-700071  
 EMAIL: kilsugar@gmail.com; Website: www.khaitansugar.com  
 Phone: 03340505000  
 CIN:L10000WB1936PLC008775  
 STATEMENT OF ASSETS AND LIABILITIES

(Rs.in lakhs)

| Sl. No.   | Particulars                                   | YEAR ENDED            |                       |
|-----------|---|-----------------------|-----------------------|
|           |   | 31.03.2020<br>Audited | 31.03.2019<br>Audited |
| <b>A.</b> | <b>ASSETS</b>                                 |                       |                       |
| 1         | <b>Non-current assets</b>                     |                       |                       |
|           | a. Property, plant and equipment              | 5,022.75              | 5,226.40              |
|           | b. Investment Properties                      | 50.65                 | 25.14                 |
|           | (i) Investments                               | 288.73                | 940.52                |
|           | (ii) Loans                                    | 90.89                 | 93.72                 |
|           | c. Deferred Tax Assets (net)                  | 326.44                | 326.44                |
|           | d. Other non-current assets                   | 132.83                | 96.78                 |
|           | <b>Sub -Total- Non Current Assets</b>         | <b>5,912.29</b>       | <b>6,709.00</b>       |
| 2         | <b>Current assets</b>                         |                       |                       |
|           | a. Inventories                                | 547.77                | 672.89                |
|           | b. Biological Assets                          | 257.01                | 257.01                |
|           | c. Financial Assets                           |                       |                       |
|           | (i) Trade Receivables                         | 1,183.90              | 2,267.12              |
|           | (ii) Cash and cash equivalents                | 10.29                 | 22.41                 |
|           | (iii) Loans                                   | 409.58                | 438.04                |
|           | d. Other current assets                       | 22.27                 | 51.28                 |
|           | <b>Sub - Total - Current Assets</b>           | <b>2,430.82</b>       | <b>3,708.75</b>       |
|           | <b>TOTAL ASSETS (1+2)</b>                     | <b>8,343.11</b>       | <b>10,417.75</b>      |
| <b>B.</b> | <b>EQUITY AND LIABILITIES</b>                 |                       |                       |
| 1         | <b>Equity</b>                                 |                       |                       |
|           | a. Share Capital                              | 475.00                | 475.00                |
|           | b. Other Equity                               | 1,909.46              | 3,034.69              |
|           | <b>Sub-Total - Equity</b>                     | <b>2,384.46</b>       | <b>3,509.69</b>       |
| 2         | <b>Liabilities</b>                            |                       |                       |
|           | <b>Non Current Liabilities</b>                |                       |                       |
|           | a. Financial Liabilities                      |                       |                       |
|           | (i) Borrowings                                | 1,487.38              | 1,585.40              |
|           | b. Other non current Assets                   | 74.99                 | 75.79                 |
|           | c. Provisions                                 | 270.41                | 227.60                |
|           | <b>Sub-Total Non-Current Liabilities</b>      | <b>1,832.78</b>       | <b>1,888.79</b>       |
| 3         | <b>Current Liabilities</b>                    |                       |                       |
|           | a. Financial Liabilities                      |                       |                       |
|           | (i) Borrowings                                | 489.55                | 546.79                |
|           | (ii) Trade Payable                            | 2,306.38              | 3,078.76              |
|           | (iii) Other Financial Liabilities             | 944.16                | 1,000.92              |
|           | b. Other Current Liabilities                  | 379.77                | 375.91                |
|           | c. Provisions                                 | 6.01                  | 16.89                 |
|           | <b>Sub-Total- Current Liabilities</b>         | <b>4,125.87</b>       | <b>5,019.27</b>       |
|           | <b>Total - Equity and Liabilities</b>         | <b>5,958.65</b>       | <b>6,908.06</b>       |
|           | <b>TOTAL - EQUITY AND LIABILITIES (1+2+3)</b> | <b>8,343.11</b>       | <b>10,417.75</b>      |



| Khaitan (India) Limited   |  | Year ended<br>March 31, 2020 | Year ended<br>March 31, 2019 |
|---|--|------------------------------|------------------------------|
| Cash Flow Statement for the year ended March 31, 2020   |  | Amount in Rs.                | Amount in Rs.                |
| <b>A. Cash Flow from Operating Activities</b>   |  |                              |                              |
| Profit / (Loss) before tax for the period   |  | (49,053,781)                 | 5,926,352                    |
| Adjustments for :   |  |                              |                              |
| Depreciation and Amortization Expense   |  | 18,091,620                   | 18,096,102                   |
| Investment Written off  |  | 41,599                       | -                            |
| Finance Costs   |  | 21,755,329                   | 26,769,231                   |
| Interest Income   |  | (323,371)                    | (947,863)                    |
| Income on exchange difference   |  | -                            | -                            |
| <b>Operating Profit/ (Loss) before changes in operating assets and liabilities</b>  |  | <b>(12,589,921)</b>          | <b>46,884,342</b>            |
| <b>Adjustments for changes in operating assets and liabilities:</b>   |  |                              |                              |
| (Increase) in trade and other receivables   |  | 110,747,172                  | (33,222,152)                 |
| (Increase) / Decrease in Inventories and biological assets  |  | 12,511,999                   | 102,060,732                  |
| Increase/(Decrease) in trade and other payables   |  | (77,747,670)                 | 63,334,738                   |
| (v) Other Financial Assets  |  | -                            | -                            |
| Direct Taxes (paid)/ refund   |  | -                            | -                            |
| <b>Net Cash from / (used in) Operating Activities</b>   |  | <b>32,921,580</b>            | <b>179,057,660</b>           |
| <b>B. Cash Flow from Investing Activities</b>   |  |                              |                              |
| Sale of property, plant and equipment   |  | 47,500                       | -                            |
| Sale of investments   |  | -                            | -                            |
| Rent income   |  | 3,083,084                    | 2,959,480                    |
| <b>Net Cash from / (used in) Investing Activities</b>   |  | <b>3,147,227</b>             | <b>2,055,536</b>             |
| <b>C. Cash Flow from Financing Activities</b>   |  |                              |                              |
| Proceeds from non-current borrowings  |  | -                            | -                            |
| Repayment of non-current borrowings   |  | (9,801,974)                  | (146,152,347)                |
| Repayment of current borrowings (net)   |  | (5,723,214)                  | (6,852,632)                  |
| Finance Costs   |  | (21,755,329)                 | (26,769,231)                 |
| <b>Net Cash from / (used in) Financing Activities</b>   |  | <b>(37,280,517)</b>          | <b>(179,774,210)</b>         |
| Net increase / (decrease) in cash and cash equivalent (A + B + C)   |  | <b>(1,211,710)</b>           | <b>1,338,986</b>             |
| <b>D. Cash and cash equivalents</b>   |  |                              |                              |
| Net increase / (decrease) in cash and cash equivalent   |  | (1,211,710)                  | 1,338,986                    |
| Cash and cash equivalents at the beginning of the year  |  | 2,240,800                    | 901,814                      |
| Cash and cash equivalents at the end of the year  |  | <b>1,029,090</b>             | <b>2,240,800</b>             |
| <b>Cash and cash equivalents consist of cash on hand and balance with banks and deposits with banks.</b>  |  |                              |                              |
| Fixed Deposits with banks   |  | -                            | -                            |
| Cash on Hand  |  | 14,945                       | 1,329,905                    |
| <b>Cash and cash equivalents as at 31st March</b>   |  | <b>1,029,090</b>             | <b>2,240,800</b>             |
|   |  |                              |                              |
|   |  |                              |                              |
| (i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard on 'Statement of Cash Flows (Ind AS-7)' issued by The Institute of Chartered Accountants of India. |  |                              |                              |



**KHAITAN INDIA LIMITED**  
 REG. OFFICE 46C, J.L. NEHRU ROAD KOLKATA-700071  
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 Phone: 03340505000  
 CIN:L10000WB1936PLC008775  
**REPORTING OF BUSINESS SEGMENT INFORMATION**

| S.N | PARTICULARS  | Rs. In Lakh             |                           |                         |                         |                         |
|-----|--|-------------------------|---------------------------|-------------------------|-------------------------|-------------------------|
|     |  | Quarter ended           |                           |                         | Year Ended              | Previous Year ended     |
|     |  | 31.03.2020<br>(Audited) | 31.12.2019<br>(Unaudited) | 31.03.2019<br>(Audited) | 31.03.2020<br>(Audited) | 31.03.2019<br>(Audited) |
| I   | <b>Segment Revenue</b>                                       |                         |                           |                         |                         |                         |
|     | (a) Electrical Goods   | 979.30                  | 1,302.30                  | 2,277.13                | 5,630.09                | 8,271.74                |
|     | (b) Sugar  | -                       | -                         | 9.48                    | -                       | 31.15                   |
|     | (c) Agriculture  | 2.36                    | 4.73                      | 3.35                    | 34.81                   | 1,765.24                |
|     | <b>Total</b>   | <b>981.66</b>           | <b>1,307.03</b>           | <b>2,289.96</b>         | <b>5,664.90</b>         | <b>10,068.13</b>        |
|     | Less: Inter Segement Revenue                                 | -                       | -                         | -                       | -                       | -                       |
|     | <b>Revenue from Operations</b>                               | <b>981.66</b>           | <b>1,307.03</b>           | <b>2,289.96</b>         | <b>5,664.90</b>         | <b>10,068.13</b>        |
| II  | <b>Segment Results(Profit before Finance Cost and Taxes)</b> |                         |                           |                         |                         |                         |
|     | (a) Electrical Goods   | (250.44)                | 58.12                     | (10.12)                 | 48.92                   | (300.42)                |
|     | (b) Sugar  | (76.15)                 | (58.78)                   | (71.36)                 | (271.89)                | (313.46)                |
|     | (c) Agriculture  | (56.88)                 | 1.92                      | (3.53)                  | (50.01)                 | 940.83                  |
|     | <b>Total</b>   | <b>(383.47)</b>         | <b>1.26</b>               | <b>(85.01)</b>          | <b>(272.98)</b>         | <b>326.95</b>           |
|     | Less:  |                         |                           |                         |                         |                         |
|     | (a) Finance Cost   | 42.30                   | 52.08                     | 60.27                   | 217.55                  | 267.69                  |
|     | (b) Other Unallocable (Income)                               | -                       | -                         | -                       | -                       | -                       |
|     | <b>Profit Before Tax</b>                                     | <b>(425.77)</b>         | <b>(50.82)</b>            | <b>(145.28)</b>         | <b>(490.53)</b>         | <b>59.26</b>            |
| III | <b>Segment Assets</b>  |                         |                           |                         |                         |                         |
|     | (a) Electrical Goods   | 3,047.72                | 3,895.00                  | 4,748.05                | 3,047.72                | 4,748.05                |
|     | (b) Sugar  | 826.21                  | 913.71                    | 1,100.67                | 826.21                  | 1,100.67                |
|     | (c) Agriculture  | 4,469.19                | 4,545.19                  | 4,569.03                | 4,469.19                | 4,569.03                |
|     | <b>Total Segment Assets</b>                                  | <b>8,343.12</b>         | <b>9,353.90</b>           | <b>10,417.75</b>        | <b>8,343.12</b>         | <b>10,417.75</b>        |
| IV  | <b>Segment Liabilities</b>                                   |                         |                           |                         |                         |                         |
|     | (a) Electrical Goods   | 4,925.93                | 2,346.17                  | 5,837.39                | 4,925.93                | 5,837.39                |
|     | (b) Sugar  | (1,995.01)              | 513.39                    | (2,006.89)              | (1,995.01)              | (2,006.89)              |
|     | (c) Agriculture  | 3,027.74                | 3,046.86                  | 3,077.57                | 3,027.74                | 3,077.57                |
|     | (d) Unallocated  | -                       | -                         | -                       | -                       | -                       |
|     | <b>Total Segment Liabilities</b>                             | <b>5,958.66</b>         | <b>5,906.42</b>           | <b>6,908.06</b>         | <b>5,958.66</b>         | <b>6,908.06</b>         |
| V   | <b>Segment Capital (III - IV)</b>                            |                         |                           |                         |                         |                         |
|     | (a) Electrical Goods   | (1,878.21)              | 1,548.83                  | (1,089.34)              | (1,878.21)              | (1,089.34)              |
|     | (b) Sugar  | 2,821.22                | 400.32                    | 3,107.57                | 2,821.22                | 3,107.57                |
|     | (c) Agriculture  | 1,441.45                | 1,498.33                  | 1,491.46                | 1,441.45                | 1,491.46                |
|     | (d) Unallocated  | -                       | -                         | -                       | -                       | -                       |
|     | <b>Total Segment Liabilities</b>                             | <b>2,384.46</b>         | <b>3,447.48</b>           | <b>3,509.69</b>         | <b>2,384.46</b>         | <b>3,509.69</b>         |



*Pantau*



Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results  
(Amount in Rs. Lakhs)

| Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020<br>[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]  |   |   |   |  |
|---|---|---|---|--|
| I. Sl. No.  | Particulars   | Audited Figures (as reported before adjusting for qualifications) | Adjusted Figures (audited figures after adjusting for qualifications) |  |
| 1   | Turnover / Total income   | 5708.54   | 5708.54   |  |
| 2   | Total Expenditure   | 6199.08   | 6525.52   |  |
| 3   | Net Profit/(Loss) After Tax   | -490.54   | -816.98   |  |
| 4   | Earnings Per Share (in Rs.)   | -10.33  | -17.20  |  |
| 5   | Total Assets  | 8343.11   | 8016.67   |  |
| 6   | Total Liabilities   | 5958.65   | 5958.65   |  |
| 7   | Net Worth   | 2384.46   | 2058.02   |  |
| 8   | Any other financial item(s) (as felt appropriate by the management) | NIL   | NIL   |  |
| II. Audit Qualification (each audit qualification separately):  |   |   |   |  |
| a. Details of Audit Qualification:  |   |   |   |  |
| <p>i. Balances of deferred tax assets has not been carried in the financial statements at Rs. 3,26,43,751/-. Considering the absence of the reasonable certainty as regards to realization of the said balances in the coming years, the same needs to be provided for. Had the said balances of Deferred Taxes has been fully provided for, the losses would have gone up by Rs. 7,06,41,706/- and the networth would have reduced by the said extent.</p> <p>ii. 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.</p> <p>iii. The biological assets amounting to Rs. 2,57,00,854/- includes Bearer and Non Bearer plants and trees. As per Ind AS-16, Property, Plant &amp; 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.</p> |   |   |   |  |
| b. Type of Audit Qualification : Qualified Opinion  |   |   |   |  |
| c. Frequency of qualification: Point II (a) (ii) since Year 2015-16   |   |   |   |  |
| d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:  |   |   |   |  |
| Not Applicable  |   |   |   |  |
| e. For Audit Qualification(s) where the impact is not quantified by the auditor:  |   |   |   |  |
| (i) Management's estimation on the impact of audit qualification:   |   |   |   |  |
| i. Deffered Tax assets represents brought forward balance for the earlier Years which shall be Written off in due course.   |   |   |   |  |

|      |   |
|------|---|
|      | ii. The company has not opted for Expected Credit Loss (ECL) model for estimating the provisions against Trade Receivables, as the management believes that that there will be no material difference in the value of realisation of Trade receivables  |
|      | iii. The biological assets amounting to Rs. 2,57,00,854/- includes Bearer and Non Bearer plants and trees. Due to Covid - 19 reasons this could not be undertaken as on 31.03.2020. The management has taken up the task of segregating the biological assets in the respective classes and is expected to complete the same during the forthcoming year. |
|      | (ii) If management is unable to estimate the impact, reasons for the same: Not Applicable   |
|      | (iii) Auditors' Comments on (i) or (ii) above: No Comments to offer in addition to Point II (a)   |
|      | As stated herein above, the impact with respect to above and consequential adjustments cannot be ascertained by the Management and as such cannot be commented upon by us.  |
| III. | <u>Signatories:</u>   |
|      | Sunay Krishna Khaitan<br>CEO  |
|      | Swapan Kumar Das<br>CFO   |
|      | Sandip Chatterjee<br>Audit Committee Chairman   |
|      | For K.C.Bhattacharjee & Paul<br>Chartered Accountants<br>Statutory Auditor  |
|      | Place: Kolkata<br>Date: 31.07.2020  |

