

REGISTERED OFFICE
913, Hemkunt Chambers, 89, Nehru Place
New Delhi-110 019, India
Tel : +91-11-26411931, 26415961
Fax : +91-11-26221521
Email : info@technofabengineering.com
CIN : L74210DL1971PLC005712



TECHNOFAB ENGINEERING LIMITED

February 11, 2021

The National Stock Exchange of India Limited
Exchange Plaza, Plot No. C-1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051
Symbol: TECHNOFAB

The BSE Limited
15th Floor, Phiroze Jeejeeboy Towers
Dalal Street
Mumbai - 400001

Security Code: 533216

Subject: Outcome of Board Meeting pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015

Dear Sir/Madam,

This is to inform that the Board of Directors of the Company at their meeting held today viz. Thursday, the 11th February 2021 has approved inter alia the Standalone & Consolidated audited Financial Results for the quarter and Year ended 31 March 2020 along with the Auditors' Report by the Statutory Auditors of the Company.

Further, please note that the said Financial Results are also being published in the news papers in terms of Regulation 47 of the Listing Regulations in accordance with the format prescribed by SEBI vide its circular bearing no. CIR/CFD/CMD/15/2015 dated 30 November 2015.

Please also note that the Board Meeting in its meeting held today has decided to conduct Forty Ninth Annual General Meeting (AGM) of the Company on 9 March 2021 through Video Conferencing and Other Audio Visual Means. The details of the AGM shall be separately intimated by way issuing Notice to the members which shall be informed later.

The meeting of Board of Directors commenced at 4:30 PM and concluded at

You are requested to take note of the same in your records for further dissemination.

Thanking you,
Yours Faithfully
For Technofab Engineering Limited


Arjun Gupta
Managing Director
DIN: 00012092

Encl. As Above

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

(Rs. in Lakhs)

S. No.	Particulars	STANDALONE				
		Quarter Ended			Year Ended	
		31.03.2020 Audited*	31.12.2019 Unaudited	31.03.2019 Audited*	31.03.2020 Audited	31.03.2019 Audited
I	Revenue from operations	501.37	1,717.94	7,169.40	5,653.95	37,036.85
II	Other income	238.20	81.07	(287.05)	535.96	644.75
III	Total Revenue (I+II)	739.57	1,799.01	6,882.35	6,189.91	37,681.60
IV	Expenses					
	(a) Cost of materials consumed	817.91	1,388.45	4,191.54	4,991.01	23,498.89
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	290.44	(55.81)	2,824.03	481.27	2,301.19
	(c) Expenditure on Contracts	903.63	319.91	906.01	2,222.34	4,442.82
	(d) Employee benefits expense	656.25	681.45	1,214.77	3,235.36	4,561.23
	(e) Finance costs	1,191.90	398.78	660.50	3,314.29	3,304.66
	(f) Depreciation and amortization expense	35.75	211.60	111.80	677.79	429.46
	(g) Other expenses	325.25	169.64	2,305.33	894.26	3,560.03
	Total Expenses (IV)	4,221.13	3,114.02	12,213.98	15,816.32	42,098.28
V	Profit (Loss) before exceptional items and tax (III -IV)	(3,481.56)	(1,315.01)	(5,331.63)	(9,626.41)	(4,416.68)
VI	Exceptional items	6,210.99	3,626.60	-	12,968.14	-
VII	Profit (Loss) after exceptional items but before tax (V+VI)	(9,692.55)	(4,941.61)	(5,331.63)	(22,594.55)	(4,416.68)
VIII	Tax expense					
	(I) Current Tax	-	-	(320.00)	-	-
	(II) Deferred Tax	2,903.72	(461.99)	(1,494.28)	1,245.50	(1,491.69)
	(III) Tax Adjustment for Earlier Years	191.31	14.00	(9.71)	213.95	(9.50)
	Total Tax expense	3,095.03	(447.99)	(1,823.99)	1,459.45	(1,501.19)
IX	Profit / (Loss) for the period from continuing operations (VII-VIII)	(12,787.58)	(4,493.62)	(3,507.64)	(24,054.00)	(2,915.48)
	Discontinued operations :-					
X	Profit/(Loss) from discontinued operations	-	-	-	-	-
XI	Tax expense of discontinued operations	-	-	-	-	-
XII	Profit/(Loss) from discontinued operations (after tax)	-	-	-	-	-
XIII	Profit/(Loss) for the period (IX + XII)	(12,787.58)	(4,493.62)	(3,507.64)	(24,054.00)	(2,915.48)
XIV	Other comprehensive Income (OCI):					
	A. Items that will not be reclassified to profit or loss					
	(i) Re-measurement gain (losses) on defined benefit plans	(10.90)	(0.24)	(2.47)	(10.90)	15.72
	Income tax effect on above	-	0.08	0.87	-	(5.49)
	(ii) Equity Instruments through Other Comprehensive Income (Gain on Fair Valuation of Long Term Investment)	(0.91)	-	(0.10)	(1.17)	(3.36)
	Income tax effect on above	-	-	0.04	-	1.18
	Total other comprehensive Income (XIV)	(11.81)	(0.16)	(1.66)	(12.07)	8.04
XV	Total Comprehensive Income (Comprising Profit/ (Loss) and other comprehensive Income for the period) (XIII+XIV)	(12,799.39)	(4,493.78)	(3,509.30)	(24,066.07)	(2,907.44)
	(Comprising Profit (Loss) and OCI for the year)					
XVI	Paid-up equity share capital (₹ 10 per share)	1,049.00	1,049.00	1,049.00	1,049.00	1,049.00
XVII	Earnings per equity share (for continuing operations):					
	(1) Basic	(121.90)	(42.84)	(33.44)	(229.30)	(27.79)
	(2) Diluted	(121.90)	(42.84)	(33.44)	(229.30)	(27.79)
XVIII	Earnings per equity share (for discontinuing operations):					
	(1) Basic	-	-	-	-	-
	(2) Diluted	-	-	-	-	-
XIX	Earnings per equity share:					
	(1) Basic	(121.90)	(42.84)	(33.44)	(229.30)	(27.79)
	(2) Diluted	(121.90)	(42.84)	(33.44)	(229.30)	(27.79)

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STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS ON MARCH 31, 2020

(Rs. in Lakhs)

	Audited As at 31st March, 2020	Audited As ar 31st March, 2019
ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	4,798.06	5,555.99
(b) Investment in Property	54.10	55.02
(c) Other intangible assets	14.16	22.45
(d) Financial Assets		
(i) Investments	1069.91	1071.08
(ii) Loans	169.69	201.03
(iii) Other financial assets	0.20	599.82
(e) Other non-current assets	40.00	222.15
(f) Deferred tax assets (net)	-	1245.50
Total Non-Current Assets	6146.12	8973.04
Current Assets		
(a) Inventories	1155.92	2180.87
(b) Financial Assets		
(i) Investments	-	10.52
(ii) Trade Receivables	33186.21	39922.70
(iii) Cash and Cash Equivalents	427.32	204.05
(iv) Other Bank balances other than (iii) above	444.80	4502.51
(v) Other Financial Assets	27.72	37.02
(c) Current Tax Assets (Net)	111.54	536.47
(d) Other Current Assets	6265.65	6501.44
Total Current Assets	41619.16	53895.58
TOTAL ASSETS	47765.28	62868.63
EQUITY AND LIABILITIES		
Shareholders' Funds		
(a) Equity Share Capital	1049.00	1049.00
(b) Other Equity	(481.35)	23584.71
Total Equity	567.65	24633.71
Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1286.64	726.66
(ii) Other Financial Liabilities	-	4.07
(b) Provisions	156.40	86.71
(c) Deferred Tax Liabilities (Net)	-	-
(d) Other non Current Liabilities	4093.67	6354.51
Total Non-Current Liabilities	5536.71	7171.94
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	29060.54	12470.58
(ii) Trade Payables		
Dues to Micro and Small Enterprises	56.19	164.56
Dues to Others	8351.46	13776.85
(iii) Other Financial Liabilities	3.30	3.53
(b) Current tax Liabilities		
(c) Other Current Liabilities	4141.60	4585.45
(d) Provisions	47.83	62.01
Total Current Liabilities	41660.92	31062.98
Total Liabilities	47197.62	38234.92
TOTAL EQUITY AND LIABILITIES	47765.28	62868.63

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	(Rs. in Lakhs)	
	Year Ended 31-Mar-20	Year Ended 31-Mar-19
(A) CASH FLOW OPERATING ACTIVITIES	₹ =	₹ =
Net Profit Before Tax and Extraordinary Item	(22,594.55)	(4,416.68)
Adjustment for :		
Depreciation	677.79	429.48
Interest Expenses	2,180.01	2,191.02
Interest Income	(176.22)	(260.14)
Loss on Sale of Property, Plant and Equipments (Net)	99.24	4.33
Dividend Income	(0.24)	(25.94)
Gain on Fair Valuation of Mutual fund	-	(0.01)
Interest Income on fair valuation of Security Deposit	(0.77)	(1.65)
Operating Profit before Working Capital Changes	(19,814.74)	(2,079.62)
Adjustment for :		
Trade receivables	6,736.48	3,516.21
Loans and Advances and other assets	5,115.92	(919.07)
Inventories	1,024.95	2,061.77
Trade and Other payables	(8,199.30)	(5,303.24)
Cash Generated from Operation	(15,136.68)	(2,723.95)
Direct Taxes Paid	210.98	(532.07)
Net Cash Flow from Operating Activities	(A) (14,925.70)	(3,256.02)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(23.21)	(637.94)
Sale of Fixed Assets	13.33	7.75
Interest Income	176.22	260.14
Sale / (Purchase) of Investments (Net)	11.69	2,047.46
Dividend Received	0.24	25.94
Net Cash from (-used) in Investing Activities	(B) 178.26	1,703.36
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(2,179.24)	(2,189.36)
Proceeds / (Repayment) from / of Long term Borrowings (Net)	559.98	57.65
Proceeds / (Repayment) from / of Short term Borrowings (Net)	(655.92)	3,420.68
Increase in Borrowings due to Invocation of Bank Guarantees	17,245.89	-
Dividend Paid	-	(209.80)
Tax on Dividend	-	(43.12)
Net Cash Flow From Financing Activities	(C) 14,970.71	1,036.04
Net Increase in Cash and Cash Equivalents	(A+B+C) 223.27	516.62
Cash & Cash Equivalents (Opening Balance)	204.05	720.67
Cash & Cash Equivalents (Closing Balance)	427.32	204.05

Notes:

- 1 The above results were placed before and reviewed by the Audit Committee at its meeting held on 11th February, 2021 and subsequently approved by the Board of Directors at its meeting held on the same date.
- 2 The statement has been prepared in accordance with Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under Section 133 of Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3 The Company has only one Primary Segment i.e. Engineering, Procurement and Construction. Hence, there is no other reportable segment.
- 4 Effective April 1, 2019, the Company has adopted Ind AS 116 "leases" using the modified retrospective method. The adoption of this standard increased depreciation expenses and interest expenses by Rs. 223.50 Lakhs and Rs.108.49 Lakhs and decreased rent expenses by Rs.394.30 Lakhs.
- 5 The Company was unable to complete various projects in time, performance bank guarantees of the Company were also invoked by other parties, and non-recovery of its funds due to various reasons and hence defaulted on repayment of dues to lenders, consequently the lenders have classified the loan balances of the Company as non-performing assets.
- 6 The Company has incurred significant losses during the year. The networth of the company has largely been eroded. The Company has delayed/defaulted in payment of loans and interest and loan accounts have been classified as non-performing assets by banks. Due to fund constraints and other reasons the company has not been able to complete projects as expected, resulting to invocation of bank guarantees/performance guarantees. Notwithstanding the above, the Standalone financial statements of the Company have been prepared on going concern basis as management believes that the Company would be able to ultimately establish profitable operations, meet its commitments and reduce debt.
- 7 The financial results of the Company has been audited by the statutory auditor of the company.
- 8 The figures of the previous period have been regrouped / rearranged wherever necessary.

For Technofab Engineering Ltd.



Arjun Gupta

Chairman & Managing Director

DIN No:00012092

Place : Faridabad

Date : 11-02-2021

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

(Rs. in Lakhs)

		Quarter Ended			Year Ended	
		31.03.2020 Audited*	31.12.2019 Unaudited	31.03.2019 Audited*	31.03.2020 Audited	31.03.2019 Audited
I	Revenue from operations	501.37	1,717.94	7,169.40	5,653.95	37,036.85
II	Other income	392.12	68.81	(92.68)	542.89	652.25
III	Total Revenue (I+II)	893.49	1,786.75	7,076.72	6,196.84	37,689.10
IV	Expenses					
	(a) Cost of materials consumed	818.16	1,388.20	4,033.08	4,991.01	23,498.89
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	290.44	(55.81)	2,982.49	481.27	2,301.19
	(c) Expenditure on Contracts	611.92	319.91	905.99	1,930.63	4,442.82
	(d) Employee benefits expense	650.75	689.75	1,224.85	3,256.52	4,601.59
	(e) Finance costs	1,557.64	261.53	806.43	3,334.07	3,329.89
	(f) Depreciation and amortization expense	359.62	106.14	113.89	685.27	437.80
	(g) Other expenses	335.85	172.23	2,224.33	910.27	3,052.63
	Total Expenses (IV)	4,624.38	2,881.95	12,291.06	15,589.04	41,664.80
V	Profit (Loss) before exceptional items and tax (III - IV)	(3,730.89)	(1,095.20)	(5,214.34)	(9,392.20)	(3,975.71)
VI	Exceptional items	6,210.99	3,626.60	-	12,968.14	-
VII	Profit (Loss) after exceptional items but before tax (V+VI)	(9,941.88)	(4,721.80)	(5,214.34)	(22,360.34)	(3,975.71)
VIII	Tax expense					
	(I) Current Tax	47.40	-	(232.35)	47.40	87.65
	(II) Deferred Tax	2,906.44	(462.52)	(1,494.27)	1,245.55	(1,491.65)
	(III) Tax Adjustment for Earlier Years	191.77	14.00	(10.45)	214.41	(6.81)
	Total Tax expense	3,145.61	(448.52)	(1,737.07)	1,507.36	(1,410.81)
IX	Profit / (Loss) for the period from continuing operations (VII-VIII)	(13,087.49)	(4,273.28)	(3,477.27)	(23,867.70)	(2,564.89)
	Discontinued operations :-					
X	Profit/(Loss) from discontinued operations	-	-	-	-	-
XI	Tax expense of discontinued operations	-	-	-	-	-
XII	Profit/(Loss) from discontinued operations (after tax)	-	-	-	-	-
XIII	Profit/(Loss) for the period (IX + XII)	(13,087.49)	(4,273.28)	(3,477.27)	(23,867.70)	(2,564.89)
XIV	Other comprehensive Income (OCI):					
	a. Item that will not be reclassified to Profit or Loss	(10.90)	(0.24)	(2.47)	(10.90)	15.73
	b. Tax relating to items that will not be reclassified to profit or loss	-	0.08	0.86	-	(5.49)
	c. Item that will be reclassified to Profit or Loss	(0.91)	-	(0.10)	(1.17)	(3.36)
	d. Tax relating to items that will not be reclassified to profit or loss	-	-	0.04	-	1.18
	Total other comprehensive Income (XIV)	(11.81)	(0.16)	(1.67)	(12.07)	8.05
XV	Total Comprehensive Income (Comprising Profit/ (Loss) and other comprehensive Income for the period) (XIII+XIV)	(13,099.30)	(4,273.44)	(3,478.95)	(23,879.77)	(2,556.85)
	(Comprising Profit (Loss) and OCI for the year)					
XVI	Paid-up equity share capital (₹ 10 per share)	1,049.00	1,049.00	1,049.00	1,049.00	1,049.00
XVII	Earnings per equity share (for continuing operations):					
	(1) Basic	(124.76)	(40.74)	(33.15)	(227.53)	(24.45)
	(2) Diluted	(124.76)	(40.74)	(33.15)	(227.53)	(24.45)
XVIII	Earnings per equity share (for discontinuing operations):					
	(1) Basic	-	-	-	-	-
	(2) Diluted	-	-	-	-	-
XIX	Earnings per equity share:					
	(1) Basic	(124.76)	(40.74)	(33.15)	(227.53)	(24.45)
	(2) Diluted	(124.76)	(40.74)	(33.15)	(227.53)	(24.45)

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Audited Statement of Assets and Liabilities

(Rs. In Lakhs)

S. No.	Particulars	CONSOLIDATED	
		As at 31st March, 2020	As at 31st March, 2019
	Assets	Audited	Audited
(1)	Non-current assets		
	(a) Property, Plant and Equipment	5,818.80	6,940.14
	(b) Goodwill	565.01	565.01
	(c) Other intangible assets	14.16	22.45
	(d) Financial Assets		
	(i) Investments	1.44	2.61
	(ii) Loans	169.69	201.03
	(iii) Other financial assets	0.19	599.82
	(e) Other non-current assets	40.00	230.61
	(f) Deferred tax assets (net)	(0.48)	1,245.08
(2)	Current assets		
	(a) Inventories	1,155.92	2,180.87
	(b) Financial Assets		
	(i) Investments	-	10.52
	(ii) Trade receivables	33,186.21	39,922.69
	(iii) Cash and cash equivalents	439.48	214.34
	(iv) Bank balances other than (iii) above	444.80	4,502.51
	(v) Other financial assets	105.15	262.04
	(c) Other current assets	6,272.21	6,999.07
	(d) Current tax assets (Net)	90.94	514.46
	Total assets	48,303.53	64,413.26
	Equity and liabilities		
(1)	Equity		
	(a) Equity share capital	1,049.00	1,049.00
	(b) Other equity	772.03	24,651.79
(2)	Liabilities		
(A)	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	10.76	1,000.22
	(ii) Other financial liabilities	-	4.07
	(b) Provisions	156.40	86.71
	(c) Deferred tax liabilities (net)	-	-
	(d) Other non-current liabilities	4,093.67	6,354.51
(B)	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	29,820.53	12,738.22
	(ii) Trade payables		
	Dues to Micro and Small Enterprises	56.19	164.56
	Dues to Others	8,351.46	13,776.84
	(iii) Other financial liabilities	3.31	3.53
	(b) Other Current Liabilities	3,942.35	4,521.80
	(c) Provision	47.83	62.01
	Total equity and liabilities	48,303.53	64,413.26

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CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	(Rs. in Lakhs)	
	Year Ended 31-Mar-20	Year Ended 31-Mar-19
(A) CASH FLOW OPERATING ACTIVITIES	₹	₹
Net Profit Before Tax and Extraordinary Item	(22,360.34)	(3,975.71)
Adjustment for :		
Depreciation	685.27	437.80
Interest Expenses	2,199.64	2,209.31
Interest Income	(169.28)	(252.64)
Loss on Sale of Property, Plant and Equipments (Net)	104.24	4.33
Dividend Income	(0.24)	(25.94)
Bad debts	-	1,709.39
Gain on Fair Valuation of Mutual fund	-	(0.01)
Interest Income on fair valuation of Security Deposit	(0.77)	(1.65)
Operating Profit before Working Capital Changes	(19,541.48)	104.87
Adjustment for :		
Trade receivables	6,736.48	1,806.82
Loans and Advances and other assets	5,763.04	(929.76)
Inventories	1,024.95	2,061.77
Trade and Other payables	(8,334.87)	(5,258.89)
Cash Generated from Operation	(14,351.88)	(2,215.19)
Direct Taxes Paid	161.72	(606.25)
Net Cash Flow from Operating Activities	(A) (14,190.17)	(2,821.45)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(23.21)	(637.94)
Sale of Fixed Assets	363.33	7.75
Interest Income	169.28	252.64
Sale / (Purchase) of Investments (Net)	11.69	2,047.46
Dividend Received	0.24	25.94
Net Cash from (-used) in Investing Activities	(B) 521.33	1,695.86
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(2,198.87)	(2,209.31)
Proceeds / (Repayment) from / of Long term Borrowings (Net)	(989.46)	(362.40)
Proceeds / (Repayment) from / of Short term Borrowings (Net)	(163.59)	3,420.68
Increase in Borrowings due to Invocation of Bank Guarantees	17,245.89	-
Dividend Paid	-	(209.80)
Tax on Dividend	-	(43.12)
Net Cash Flow From Financing Activities	(C) 13,893.98	596.05
Net Increase in Cash and Cash Equivalents	(A+B+C) 225.14	- 529.54
Cash & Cash Equivalents (Opening Balance)	214.34	743.88
Cash & Cash Equivalents (Closing Balance)	439.48	214.34

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Notes:

- 1 The above results were placed before and reviewed by the Audit Committee at its meeting held on 11th February, 2021 and subsequently approved by the Board of Directors at its meeting held on the same date.
- 2 The statement has been prepared in accordance with Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under Section 133 of Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3 The Company has only one Primary Segment i.e. Engineering, Procurement and Construction. Hence, there is no other reportable segment.
- 4 The Consolidated Financial Results include the Financial Result of the following Subsidiary, Arihant Flour Mills Pvt. Ltd., Rivu Infrastructural Developers Pvt. Ltd. & Woodland Instruments Pvt. Ltd.
- 5 The Company was unable to complete various projects in time, performance bank guarantees of the Company were also invoked by other parties, and non-recovery of its funds due to various reasons and hence defaulted on repayment of dues to lenders, consequently the lenders have classified the loan balances of the Company as non-performing assets.
- 6 The Company has incurred significant losses during the year. The networth of the company has largely been eroded. The Company has delayed/defaulted in payment of loans and interest and loan accounts have been classified as non-performing assets by banks. Due to fund constraints and other reasons the company has not been able to complete projects as expected, resulting to invocation of bank guarantees/performance guarantees. Notwithstanding the above, the Standalone financial statements of the Company have been prepared on going concern basis as management believes that the Company would be able to ultimately establish profitable operations, meet its commitments and reduce debt.
- 7 The financial results of the Company has been audited by the statutory auditor of the company.
- 8 The figures of the previous period have been regrouped / rearranged wherever necessary.

For Technofab Engineering Ltd.



Arjun Gupta

Chairman & Managing Director

DIN No:00012092

Place : Faridabad

Date : 11-02-2021

INDEPENDENT AUDITOR'S REPORT ON QUARTRLY FINANCIAL RESULTS AND YEAR TO DATE RESULTS OF THE COMPANY PURSUANT TO REGULATION 33 OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors of
Technofab Engineering Limited,

Report on the audit of the Standalone Financial Results

Qualified Opinion

We have audited the accompanying Statement of Standalone Financial Results of Technofab Engineering Limited ("the Company") for the quarter and year ended 31st March 2020 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

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. except for the effects / possible effects of the matters referred to in Basis of Qualified Opinion paragraph below gives a true and fair view in conformity with the applicable Ind AS and other accounting principles generally accepted in India, of the net loss and total comprehensive loss and other financial information of the Company for the quarter and year ended 31st March 2020:

Basis of Qualified Opinion

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



We draw your attention to Note No. 5 & 6 to the standalone financial results with regard to multiple significant uncertainties faced by the Company such as (a) Non availability of funds from banks and also declaration of loans as NPA (b) Poor recovery from debtors (c) Invocation of performance guarantees / bank guarantees (d) Litigation with debtors. The impact of the above matters, if any, on the standalone financial statements is presently not ascertainable.

Material Uncertainty Related to Going Concern

We draw attention to Note No. 5 & 6 to the standalone financial results, which states that the company has significant accumulated losses at the year ended March 31, 2020 and has defaulted in repayment of loan and interest payments. Due to fund constraints and other reasons the company has not been able to complete projects as expected, resulting in invocation of bank guarantees/performance guarantees. These events or conditions, along with other matters, indicates that a material uncertainty exist that may cast significant doubt on the Company's ability to continue as a going concern if the company is not able to raise funds, renegotiate/restructure liabilities.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note No. 5 & 6 to the standalone financial results, which states that the company has defaulted on repayments to various banks due to invocation of various bank guarantees / performance guarantees and poor recovery and litigations with debtors.

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Statement

This Statement has been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these Standalone Financial Results that give a true and fair view of the net profit and total comprehensive income and other financial information of the Company in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under 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 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 are also responsible for overseeing the financial reporting process of the Company.



Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Results.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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 ability of the Company 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 Statement 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 Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent 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 thought to bear on our independence, and where applicable, related safeguards.

Other Matters

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

FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No.: 017851N


(G C AGARWAL)
Proprietor
Membership No.: 083820



Place : New Delhi
Date : 11/02/2021

UDIN: 21083820AAAAAG5697

INDEPENDENT AUDITOR'S REPORT ON QUARTRLY FINANCIAL RESULTS AND YEAR TO DATE RESULTS OF THE COMPANY PURSUANT TO REGULATION 33 OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors of
Technofab Engineering Limited,

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying statement of Consolidated Financial Results of Technofab Engineering Limited ("the Holding Company"), its wholly owned subsidiaries (Holding Company and subsidiaries together referred to as "the Group"), for the quarter and year ended 31st March 2020 ("the Statement") attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

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

i. include the annual financial results of the following entities :

Sr. No.	Name of the Company	Nature of Relationship
1	Arihant Flour Mills Private Limited	Wholly owned subsidiary
2	Rivu Infrastructural Developers Private Limited	Wholly owned subsidiary
3	Woodlands Instruments Private Limited	Wholly owned subsidiary

ii. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

iii. except for the effects / possible effects of the matters referred to in Basis of Qualified Opinion paragraph below give a true and fair view in conformity with the applicable Ind AS and other accounting principles generally accepted in India, of the consolidated net loss and consolidated total comprehensive loss and other financial information of the Group for the year ended 31st March 2020



Basis of Qualified Opinion

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

We draw your attention to Note No. 5 & 6 to the consolidated financial results with regard to multiple significant uncertainties faced by the group such as (a) Non availability of funds from banks and also declaration of loans as NPA (b) Poor recovery from debtors (c) Invocation of performance guarantees / bank guarantees (d) Litigation with debtors. The impact of the above matters, if any, on the consolidated financial statements is presently not ascertainable.

Material Uncertainty Related to Going Concern

We draw attention to Note No. 5 & 6 to the consolidated financial results, which states that the company has significant accumulated losses at the year ended March 31, 2020 and has defaulted in repayment of loan and interest payments. Due to fund constraints and other reasons the company has not been able to complete projects as expected, resulting in invocation of bank guarantees/performance guarantees. These events or conditions, along with other matters, indicates that a material uncertainty exist that may cast significant doubt on the Company's ability to continue as a going concern if the company is not able to raise funds, renegotiate/restructure liabilities.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note No. 5 & 6 to the consolidated financial results, which states that the company has defaulted on repayments to various banks due to invocation of various bank guarantees / performance guarantees and poor recovery and litigations with debtors.

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Statement

This Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Results that give a true and fair view of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Results by the Directors of the Holding Company, as aforesaid.

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 Group 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 Group 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 and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Results.

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 Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls 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 consolidated 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 ability of the Group and its associates 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 Statement 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 and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Results of which we are the independent auditors 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

The accompanying statement includes the audited financial results/statements and other unaudited financial information in respect of:

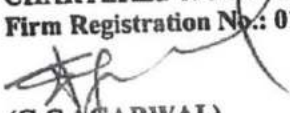
3 subsidiaries whose financial statements reflect total assets of Rs. 28,21,74,660/- as at March 31, 2020 and total revenues of Rs. 4,54,81,041/- for the year ended March 31, 2020, total net profit after tax of Rs. 1,86,29,159/- for the year ended March 31, 2020 and total comprehensive loss of Rs. 1,86,29,159/- for the year ended March 31, 2020 and (net) cash flows of Rs. 2,94,55,242/- for the year ended March 31, 2020, as considered in the Statement.

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these 3 subsidiaries, is based solely on the reports of the other auditors and procedures performed by us as stated in paragraph above.



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

FOR G C AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No.: 017851N


(G C AGARWAL)

Proprietor

Membership No.: 083820



Place: New Delhi

Date: 11/02/2021

UDIN: 21083820AAAAAH4738

REGISTERED OFFICE
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New Delhi-110 019, India
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CIN : L74210DL1971PLC005712



TECHNOFAB ENGINEERING LIMITED

February 11, 2021

The National Stock Exchange of India Limited
Exchange Plaza, Plot No. C-1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051
Symbol: TECHNOFAB

The BSE Limited
15th Floor, Phiroze Jeejeeboy Towers
Dalal Street
Mumbai – 400001

Security Code: 533216

Subject: Declaration with respect to unmodified opinion of the Statutory Auditors on the Standalone and Consolidated Audited Financial Results for the Quarter and year ended 31st March, 2020

Dear Sir/Madam,

Pursuant to Regulation 33(3) (d) of the Securities-Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended Vide Notification No. SEBI/LAD—NRO/GN/2016-17/ 001 dated 25th May, 2016, Circular No. CIR/CFD/CMD/56/ 2016 dated 27th May 2016 and Circular No. DCS/COMP/ 04/ 2016- 17 dated 1st June, 2016, we hereby declare that M/s. G.C. Agarwal & Associates, Chartered Accountants (Firm Registration No. 017851N), Statutory Auditors of our company, have issued the Auditors' report with unmodified opinion on the Standalone and Consolidated Audited Financial Results of the Company for the quarter and year ended 31st March, 2020 and accordingly the statement of impact of audit qualification is not required to be given.

Kindly take the above information on records.

Thanking you,

For Technofab Engineering Limited

Arjun Gupta
Managing Director

DIN: 00012092