



JVL Agro Industries Ltd

(CIN L15140UP1989PLC011396)
(Under Corporate Insolvency Resolution Process)

16th March, 2020

National Stock Exchange of India Ltd
'Exchange Plaza', C-1, Block – G
Bandra – Kurla Complex
Bandra (E), Mumbai 400 051
CODE: JVLAGRO

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001
CODE: 519248

Dear Sirs,

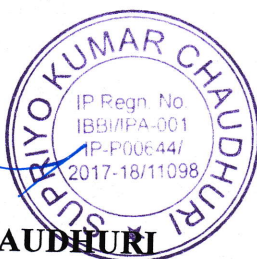
Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (LODR) – Un-audited Financial Results for the quarter and half-year ended 30th September, 2018

The Resolution Professional and Key Managerial Personnel of the Company in their meeting held to-day have adopted and taken on record un-audited standalone financial results of the Company for quarter and half-year ended 30th September, 2018.

We request you to kindly take the enclosures on record.

Thanking you,

Yours sincerely,



SUPRIYO KUMAR CHAUDHURI

Resolution Professional for JVL Agro Industries Limited
IP Registration No. IBBI/PA-001 IP/-P00644/2017-18/11098
BDO Restructuring Advisory LLP
C/O BDO India LLP
Floor 4, Duckback House,
41, Shakespeare Sarani,
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Encl: As Above

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To
The Management/Resolution Professional
JVL Agro Industries Limited
Varanasi

LIMITED REVIEW REPORT

1. We were engaged to review the accompanying statement of unaudited financial results of **JVL Agro Industries Limited** (the "Company") for the Quarter and half year ended on 30th September, 2018 (the "Statement") being submitted by the Company pursuant to the requirement of Regulation of 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the Listing Regulations).
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34) prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, is the responsibility of the Company's Management under the direction of Resolution Professional and has been approved by the Resolution Professional with Key Managerial Personnel of the Company. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. **Basis for Disclaimer of Conclusion**
 - a) The statement has been prepared on going concern basis. However-
 - i. Application filed by the financial creditor against the Company for initiation of Corporate Insolvency Resolution Process as per the Insolvency & Bankruptcy Code, 2016 was admitted by National Company Law Tribunal (NCLT), Allahabad Bench with effect from 25.7.2018 and Interim Resolution Professional and thereafter, Resolution Professional was appointed and affairs of the Company are being managed by Resolution Professional now. Resolution Professional has filed liquidation application before NCLT.
 - ii. During the half year ended 30th September, 2018, the Company has incurred a loss of Rs.236.12 crores and as on 30th September, 2018 the Company has negative retained earnings of Rs.887.28 crores and negative net worth of Rs.617.08 crores. Further the Company's current liabilities exceed its current assets. On account of its operational and financial position, the Company has delayed payments to various parties and dues to statutory authorities and interest on such delays is not determined.





- iii. The Company has made provision of Rs.128.37 crores for impairment on Trade Receivable (these provisions relate to pre-CIRP period). Further, the Company has made provision of Rs.61.42 crores for doubtful debts on trade advances (these provisions relate to pre-CIRP period). The Company has accumulated losses and has also incurred significant losses during the period under review resulting in substantial erosion of its net worth. Furthermore, defaults in making repayment to the lenders led to downgrading its credit worthiness. Company's current liabilities have substantially exceeded its current assets. As on date, the Company has substantial disputed receivables, which are not readily realizable to service the Company's current liabilities. These conditions indicate the existence of an uncertainty that may cast a doubt on the Company's ability to continue as going concern. The appropriateness of assumption of going concern is dependent upon the Company's efforts to improve productivity and profitability so as to generate positive operating cash flows in future to meet its obligations and to earn profits consistently in future. Currently, there is not enough evidence to support this view.

Above factors might impact the aspect of going concern.

- b) We would like to draw your attention to Cost of Material Consumed at Rs.915.81 cores and Changes in Inventories at Rs.116.46 crores during the six months' period under review. As per the Company's policy, inventories except scrap should have been valued at lower of cost and net realizable value. During the review, it has been observed that in many cases, raw material has been valued on the basis of FIFO method instead of Weighted Average Method. During review, it was observed that many of the finished goods has expired. However, finished goods has been valued at market price. Item wise working of net realizable value in any case was not made available to us. Further, as per Notes to unaudited financial results, time gap of booking in raw material consumption has been referred. We are not able to comment on valuation of inventories and the basis of booking of raw material consumption due to unavailability of proper documents, information, explanations and reconciliations from the management.
- c) We would like to draw your attention to Finance Cost of Rs.31.56 crores and Other Expenses of Rs.257.65 crores during six months' period under review. The Company has not booked interest charged by Standard Chartered Bank. Had it been booked, finance cost would have increased by Rs.1.86 crores, other expenses (prior period items) would have increased by Rs.14.97 crores, Other Current Financial Liabilities would have increased by Rs.6.47 crores and Current Financial Borrowings would have increased by Rs.10.36 crores. However, these interest amount are related to pre-CIRP period only. Unlike Standard Chartered Bank, post CIRP period interest has been also recorded by one way or another. Complete detail of post-CIRP period interest of Standard Chartered Bank is not made available to us by the management, therefore, we are not able to comment on the same.





- d) We would like to draw your attention to Property, Plant & Equipment shown at Rs.397.79 crores—
- Addition of land has been shown at Rs.14.09 cores (relates to pre-CIRP period). This addition of land has been booked on the basis of Patna High Court Order dated 13.10.2011. The said order was made for land of Rs.18.25 cores. However, no registry document has been shown to substantiate the sale and purchase of the said land from the date of order till date. We are not able to comment on this addition relating to financial year 2010-11 and booked in financial year 2018-19 with partial amount due to unavailability of proper documents, information and explanations from the management.
 - Sale of vehicle costing Rs.1.77 crores (relates to pre-CIRP period) has been claimed to be made at Rs.0.45 crore in the books of account and loss on sale of vehicle after deprecation has been booked at Rs.0.31 crores before CIRP period (Note 31 to Standalone Financial Statements). No documents were made available to us to substantiate the sale of such vehicles. We are not able to comment on these sale of vehicles due to unavailability of proper documents, information and explanations from the management.
- e) On migration of previous software into SAP in earlier years, it resulted into migration difference of Rs.129.08 crores (differences are related to pre-CIRP period and are still there in books). End to end reconciliation of these migration differences are not made available to us and these has been adjusted against Working Capital Borrowings, Trade Payables, Trade Receivables and Balance with Bank in current account in the Statements. Due to unavailability of proper reconciliation, we are not able to comment on its impact, if any, on the Statement.
- f) As the Company is under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016, further impairment, if any, in the realizable value of the assets of the Company cannot be determined.

5. Disclaimer of Conclusion:

In view of the cumulative impact and significance of the matters described in the Basis for Disclaimer of Conclusion Section of our Report and in absence of sufficient appropriate audit evidence to provide a basis for a conclusion as to whether the accompanying statement of unaudited financial results contains any material misstatement or not. However, these are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').

For A K Agrawal & Co.
Chartered Accountants
ICAI Firm's Regn. No.018282C


AADESH KUMAR AGRAWAL
Partner

Membership. No. 410473
Kolkata – March 16, 2020
UDIN : 20410473AAAAAX4452



JVL AGRO INDUSTRIES LIMITED
(CIN: L15140UP1989PLC011396)
Regd. Off: Village Tilmapur, Ghazipur Road, Ashapur, Varanasi 221007, (U.P.)
Telephone No.: +91-542-2595930-32, Fax: +91-542-2595941

Standalone Unaudited Financial Results for the Half Year and the Quarter Ended September 30, 2018

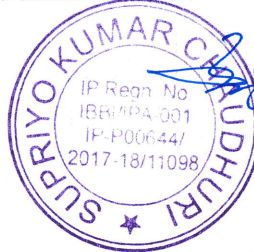
(Rs. in Crore)

Sr. No.	Particulars	3 month ended 30/09/2018 (Unaudited)	Preceding 3 month ending 30/06/2018 (Unaudited)	Corresponding 3 month ended 30/09/2017 in the previous year (Unaudited)	6 month ended 30/09/2018 (Unaudited)	Corresponding 6 month ended 30/09/2017 (Unaudited)	Year to date figure for previous year ended 31/03/2018 (Audited)
I	Revenue from Operations	328.41	768.61	734.27	1,097.02	1,577.83	3,190.21
II	Other Income	3.14	3.44		6.58		17.05
III	Total Income	331.55	772.05	734.27	1,103.60	1,577.83	3,207.26
IV	EXPENSES						
	(a) Cost of Materials Consumed	168.38	747.44	686.37	915.81	1,387.37	3,188.10
	(b) Purchase of Stock-in-Trade	-	-	32.80	-	52.86	102.77
	(c) Changes in Inventories	8.05	108.41	-35.06	116.46	43.18	28.79
	(d) Employees Benefit Expenses	3.84	4.22	2.86	8.06	6.11	12.25
	(e) Finance Costs	14.18	17.38	29.70	31.56	47.20	93.92
	(f) Depreciation and Amortisation Expenses	5.10	5.08	4.55	10.18	9.70	19.80
	(g) Other Expenses	31.48	226.17	11.79	257.65	29.29	86.71
	Total Expenses	231.03	1,108.69	733.01	1,339.72	1,575.71	3,532.34
V	Profit Before Exceptional Items and Tax (III - IV)	100.52	-336.64	1.26	-236.12	2.12	-325.08
VI	Exceptional Items	-	-	2.43	-	9.46	-
VII	Profit Before Tax (V - VI)	100.52	-336.64	3.69	-236.12	11.58	-325.08
VIII	Tax Expenses	-	-	0.10	-	0.60	-
	(a) Current Tax	-	-	-	-	-	-405.35
	(b) Deferred Tax	-	-	0.10	-	0.60	-405.35
	Total Tax Expense	-	-	0.10	-	0.60	-405.35
IX	Profit / (Loss) for the Year (VIII - IX)	100.52	-336.64	3.59	-236.12	10.98	80.27
X	Other Comprehensive Income						
	A (i) Items that will not be reclassified to statement of profit or loss	-	-	-	-	-	-
	(ii) Income Tax relating to items that will not be reclassified to statement of profit or loss	-	-	-	-	-	-
	B (i) Items that will be reclassified to statement of profit or loss	-	-	0.03	-	0.01	-
	(ii) Income Tax relating to items that will be reclassified to statement of profit or loss	-	-	-	-	-	-
	Other Comprehensive Income for the Year	-	-	0.03	-	0.01	-
	Total Comprehensive Income / (Loss) for the Year (IX + X)	100.52	-336.64	3.62	-236.12	10.99	80.27
XI	Paid-up Equity Share Capital (Face Value Re 1 each)	16.79	16.79	16.79	16.79	16.79	16.79
	Earnings per Equity Share (Face Value Re 1 each)						
	Basic (Rs.)	5.99	-20.05	0.22	-14.06	0.65	4.78
	Diluted (Rs.)	5.99	-20.05	0.22	-14.06	0.65	4.78

Notes

- There is a time gap between accounting for raw material consumption and recognition of corresponding revenue which has taken place after production of finished goods. Thus on a quarter to quarter basis the revenue and cost of materials have not matched fully in the unaudited financial statement. However the same have been duly reflected and matched in the year end financial statement.

Date : 16.03.2020
Place : Kolkata



Supriyo Kumar Chaudhuri
Resolution Professional

For JVL Agro Industries Limited
(Company Under CIRP)

Ramesh Chandra Gang
Chief Financial Officer



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Unaudited Statement of Assets and Liabilities (Standalone)

Standalone Unaudited Financial Results for the Half Year and the Quarter Ended September 30, 2018

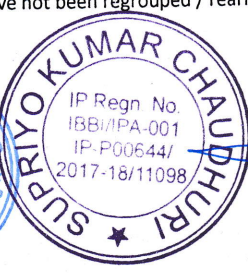
(Rs. in Crore)

		(Unaudited) as at half year ended Sept 30, 2018	(Audited) as at March 31, 2018
I	ASSETS		
	Non-Current Assets		
	(a) Property, Plant and Equipment	397.79	392.99
	(b) Capital Work-in-Progress	0.45	0.45
	(c) Other Intangible Assets	1.12	1.40
	(d) Financial Assets		
	(i) Investments	3.78	3.75
	(ii) Loan	-	0.38
	(iii) Other Financial Assets	-	0.34
	(e) Deferred Tax Asset (Net)	-	364.76
	(f) Other Non-Current Assets	350.37	27.31
	Total Non-Current Assets	753.51	791.38
II	Current Assets		
	(a) Inventories	162.30	377.78
	(b) Financial Assets		
	(i) Investments	6.55	6.22
	(ii) Trade Receivables	7.76	168.79
	(iii) Cash and Cash Equivalents	50.98	60.56
	(iv) Bank Balances other than Cash and Cash Equivalents	0.60	81.90
	(v) Other Financial Assets	110.64	110.74
	(c) Current Tax Assets (Net)	9.59	9.00
	(d) Other Current Assets	46.72	22.50
	Total Current Assets	395.14	837.49
	TOTAL ASSETS	1,148.65	1,628.87
III	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share Capital	16.79	16.79
	(b) Other Equity	-633.87	-397.75
	Total Equity	-617.08	-380.96
IV	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	-	7.47
	(ii) Other Financial Liabilities	4.40	5.14
	(b) Deferred Tax Liabilities (Net)	-364.76	-
	Total Non-Current Liabilities	-360.36	12.61
V	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,352.58	986.12
	(ii) Trade Payables	476.90	961.53
	(iii) Other Financial Liabilities	54.79	47.16
	(b) Other Current Liabilities	241.82	2.41
	Total Current Liabilities	2,126.09	1,997.22
	TOTAL EQUITY AND LIABILITIES	1,148.65	1,628.87

Notes:

- The above results have been reviewed and taken on record at the RP & KMP meeting of the Company held on 16th March, 2020. The Statutory Auditors of the Company have carried out a Limited Review of the aforesaid results.
- This statement has been prepared in accordance with the Companies Act (Indian Accounting Standard) Rules 2015 (IndAS) prescribed under section 133 of the Companies Act.
- The Company is currently in the Corporate Insolvency Resolution Process vide the order of the Hon'ble NCLT, Allahabad dated 25.7.2018. After the approval of the COC, the NCLT has appointed Mr. Supriyo Kumar Chaudhary as the Resolution Professional w.e.f. 10.9.2018 in place of IRP Mr. Avishek Gupta
- The previous period figures have not been regrouped / rearranged and are stated as reported in earlier periods.

Date : 16.03.2020
Place : Kolkata



Supriyo Kumar Chaudhuri
Resolution Professional

For JVL Agro Industries Limited
(Company Under CIRP)

Ramesh Chandar Garg
Chief Financial Officer

