

ARCOTECH LTD.

Regd. Office/Works: 181, Sector-3, Industrial Growth Center Bawal-123501, Distt. Rewari, Haryana
Ph.: 01284-264160 / 61, Fax: 01284-264022
CIN : L34300HR1981PLCO12151

11th November, 2019

Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 Fax No. 022 2272 3121 <u>Scrip ID: ARCOTECH. Scrip Code: 532914</u>	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex. Bandra(E), Mumbai-400051 Fax No. - 022-26598237/38 <u>Symbol: ARCOTECH. Series: EQ</u>
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Sub: Outcome of Board Meeting held on Monday, November 11, 2019

Dear Sir,

Pursuant to the Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we wish to inform you that the Board of Directors of Arcotech Limited at their meeting held on Monday, November 11, 2019, inter alia, has:

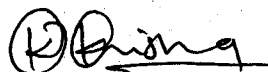
1. Approved the Unaudited Standalone Financial Results along with Auditor's Limited Review report prepared in accordance with the IND-AS for the Quarter and half year ended 30th September, 2019 as reviewed by the Audit Committee.
2. Noted the resignation of Ms. Sonia Dube (DIN : 01994475) as Non-Executive Independent Director of the Company and also from the Board's Committees of which she was a member with effect from 11th November, 2019 due to pre occupation reason.

As required under Clause 7(B) of Schedule III of SEBI (LODR) Regulations, 2015 as amended, the resignation letter dated 11th November, 2019 submitted by Ms. Sonia Dube mentioning the detailed reasons for her resignation and the confirmation that there are no other material reasons other than what is stated in the letter is attached herewith.

The Meeting of the Board Commenced at 4:00 PM (IST) and Concluded at 5:55 PM (IST).

This is for your kind reference and record.

For Arcotech Limited

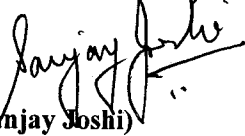


KRISHAN KUMAR MISHRA
COMPANY SECRETARY & COMPLIANCE OFFICER

**INDEPENDENT AUDITOR'S LIMITED REVIEW REPORT
TO THE BOARD OF DIRECTORS
ARCOTECH LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **ARCOTECH LIMITED** ("the Company"), for the quarter ended September 30, 2019 and year to date from April 1, 2019 to September 30, 2019 ("the Statement") being submitted by the Company pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulation, 2015). Attention is drawn to the fact that the cash flow figures for the corresponding six months ended 30 September 2018 have been approved by the Company's Board of Directors, but have not been subjected to audit or review. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (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 an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards specified in section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circular number CIR/CFD/CMD1/44/2019 dated March 29, 2019 of SEBI including the manner in which it is to be disclosed, or that it contains any material misstatement.

For and on behalf of
Amit Joshi & Associates
Chartered Accountants
(FRN No. 004898N)


(Sanjay Joshi)
Partner

M. No. 084687
UDIN: 19084687AAAAGB6327
Date : 11.11.2019
Place : New Delhi



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PART-I

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2019

(Rs. in Lacs)

SL NO.	PARTICULARS	QUARTER ENDED			HALF YEAR ENDED		YEAR ENDED
		30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	30.06.2019 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.3.2019 (Audited)
1	Income						
	a) Revenue from operations	3,030.40	12,706.60	4,049.53	7,079.93	28,232.64	45,211.10
	b) Other income	46.76	61.75	14.64	61.40	99.61	227.80
	Total income	3,077.16	12,768.35	4,064.17	7,141.33	28,332.25	45,438.90
2	Expenses						
	a) Cost of Material Consumed	1,303.50	8,213.52	5,867.11	7,170.61	23,095.24	46,748.33
	b) Purchase of Stock-in-trade	-	-	-	-	-	-
	c) Change in Inventory of Finished Good, Work in Progress and stock-in-trade	1,855.61	3,662.86	1,641.13	3,496.74	1,503.16	2,200.48
	d) Employee benefits expense	71.19	182.55	90.34	161.53	370.44	658.70
	e) Finance costs	1,048.33	1,587.38	762.39	1,810.72	2,964.18	5,808.64
	f) Depreciation and amortisation expense	276.79	254.50	276.81	553.60	508.99	1,059.91
	g) Excise Duty on Sales	-	-	-	-	-	-
	h) Other expenses	76.94	580.46	150.53	227.47	1,054.73	2,666.10
	Total expenses	4,632.36	14,481.27	8,788.31	13,420.67	29,496.74	59,142.16
3	Profit/(Loss) before exceptional items and tax (1-2)	(1,555.20)	(1,712.92)	(4,724.14)	(6,279.34)	(1,164.49)	(13,703.26)
4	Exceptional items (net)	-	-	-	-	-	-
5	Profit/(Loss) before tax (3+4)	(1,555.20)	(1,712.92)	(4,724.14)	(6,279.34)	(1,164.49)	(13,703.26)
6	Tax expense:						
	a) Current Tax	-	(99.42)	-	-	-	-
	b) Deferred Tax	(355.30)	(496.50)	(1,625.69)	(1,980.99)	(257.29)	(4,488.53)
	c) MAT Credit entitlement	-	99.42	-	-	-	-
7	Profit/(Loss) for the period from continuing operation (5-6)	(1,199.90)	(1,216.42)	(3,098.45)	(4,298.35)	(907.20)	(9,214.73)
8	Profit/(Loss) for the period from discontinuing operation	-	-	-	-	-	-
9	Tax expenses of discontinuing operation	-	-	-	-	-	-
10	Profit/(Loss) from discontinuing operation (after tax) (8-9)	-	-	-	-	-	-
11	Profit/(Loss) for the period (7+10)	(1,199.90)	(1,216.42)	(3,098.45)	(4,298.35)	(907.20)	(9,214.73)
12	Other comprehensive income/(loss)						
	A. (i) Items that will not be classified to Profit or Loss						
	Re-measurement of defined benefit plans	1.13	0.10	1.14	2.27	0.30	4.54
	(ii) income tax relating to items that will not be reclassified to profit or loss	(0.39)	(0.03)	(0.39)	(0.78)	(0.10)	(1.60)
	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	-	-	-	-	-	-
13	Total comprehensive income for the period (11+12) (comprising profit/(loss) and Other Comprehensive income for the period)	(1,199.16)	(1,216.35)	(3,097.70)	(4,296.86)	(907.00)	(9,211.78)
14	Paid-up equity share capital	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00
15	Other equity	-	-	-	-	-	-
16	Earnings per equity share (for continuing operation) (face value of Rs 2 per share) :						
	Basic (Rs.)	(1.14)	(1.16)	(2.95)	(4.09)	(0.86)	(8.78)
	Diluted (Rs.)	(1.14)	(1.16)	(2.95)	(4.09)	(0.86)	(8.78)

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PART-II
STATEMENTS OF ASSETS AND LIABILITIES

(In Lacs, INR)

Particulars	As at September 30, 2019	As at March 31, 2019
ASSETS		
Non-current assets		
Property, plant and equipment	18,635.27	19,188.88
Financial assets		
Investments	0.93	12.46
Other financial assets	50.38	58.38
Deferred tax assets (net)	4,532.89	2,552.68
Other non-current assets	742.28	742.28
Subtotal	23,961.75	22,554.68
Current assets		
Inventories	7,833.24	11,574.13
Financial assets		
Trade receivables	25,478.20	28,299.19
Cash and cash equivalents	27.25	12.15
Other bank balances	182.60	209.51
Other current financial assets	11.51	9.09
Other current assets	8,138.68	8,974.12
Subtotal	41,671.48	49,078.19
Total Assets	65,633.23	71,632.87
EQUITY AND LIABILITIES		
Equity		
Equity share capital	2,100.00	2,100.00
Other equity	9,701.88	13,998.74
Total equity	11,801.88	16,098.74
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
Borrowings	1,806.64	2,801.93
Provisions	149.28	150.04
Deferred tax liabilities (Net)	-	-
Sub total	1,955.92	2,951.97
Current liabilities		
Financial Liabilities		
Borrowings	36,319.87	36,376.37
Trade payables		
- total outstanding dues of micro and small enterprises	0.67	1.27
- total outstanding dues other than micro and small enterprises	548.53	393.80
Other financial liabilities	11,029.39	11,649.42
Other current liabilities		
Provisions	199.46	373.51
Current tax liabilities (net)	1,465.04	1,265.04
Sub total	2,312.47	2,522.75
Total Equity and Liabilities	51,875.43	52,582.16
	65,633.23	71,632.87

PART-III**Unaudited Statement of Cash Flow**

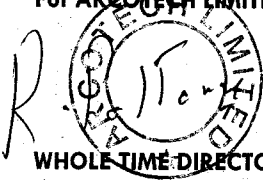
(In Lacs, INR)

Particulars	As at September 30,2019	As at September 30,2018
Cash flow from operating activities		
Profit before tax	(6,279.34)	(1,164.49)
Non cash adjustments to reconcile profit before tax to net cash flows :		
Depreciation and amortization	553.60	508.99
Finance costs	1,810.72	2,964.18
Interest Income	(9.80)	(56.10)
Unrealised foreign exchange fluctuation (net)	-	(3.89)
Mark to market ('MTM') of financial instruments	-	-
Bad debts/advances written off	-	11.76
Provision for doubtful debts	20.00	20.00
Sundry balance written of (creditors)	(47.53)	-
Gain on sale of PPE	-	(0.22)
	2,326.99	3,444.72
Movement in working capital :		
Inventories	3,740.89	(1,235.72)
Trade receivable	2,800.99	5,123.44
Other bank balances	26.91	404.98
Current and non-current financial assets	5.59	2.14
Other current and non-current assets	835.44	(6,295.04)
Current and non-current financial liabilities	(67.87)	3,169.17
Other current and non-current liabilities	(174.05)	203.86
Current and non-current provisions	(0.19)	(741.48)
Trade payable	201.66	(6,380.98)
	7,369.38	(5,749.63)
Cash generated From operations	3,417.03	(3,469.40)
Direct taxes paid (net of refunds)	(210.28)	-
Net cash flow used in operating activities (A)	3,206.75	(3,469.40)
Cash flow from investing activities		
Purchase of property, plant and equipment	-	(1,012.29)
Proceeds from sale of property, plant and equipment	-	2.00
(Increase) / decrease in CWIP	-	-
(Increase) /decrease in investments	11.53	17.49
Interest received	9.80	56.10
Net cash used in investing activities (B)	21.32	(936.70)
Cash flow from financing activities		
Net proceeds / (repayment) of non current borrowings	103.35	(525.83)
Net proceeds / (repayment) of current borrowings	(56.50)	7,470.21
Interest paid	(3,259.82)	(2,531.52)
Dividend paid	-	-
Tax on dividend paid	-	-
Proceeds from issue of Preference share capital	-	-
Net cash used in financing activities (C)	(3,212.97)	4,412.86
Net change in cash & cash equivalents (A + B + C)	15.10	6.76
Cash and cash equivalents at the beginning of year	12.15	12.22
Cash and cash equivalents at the end of year	27.25	18.98
Components of cash and cash equivalents		
Cash in hand	7.79	12.41
Balance with banks	19.46	6.57
Total cash & cash equivalents (refer note no 8)	27.25	18.98

Notes:

- 1 These financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rule, 2015 (IND AS 34) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 2 The above unaudited financial results for the quarter and half year ended september 30, 2019 have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at their meeting held on November 11, 2019. The Statutory Auditors have conducted a "Limited review" of these results in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.
- 3 There were no Complaints pending from investors at the beginning and at the end of the Quarter and Half year ended 30th September, 2019.
- 4 The Company's operations have been considered as representing a single primary segment. Hence, there is no requirement of segment reporting.
- 5 Previous period figures have been rearranged and regrouped, wherever necessary.

Place: New Delhi
Date : 11.11.2019

For ARGOTECH LIMITED

WHOLE TIME DIRECTOR
DIN NO: 01189370