

29th June, 2020

To,
BSE Ltd.
Floor 25, P. J. Towers,
Dalal Street,
Mumbai-400001

Subject : Outcome of Meeting of Board of Directors
BSE Code : 537326 (Chemtech Industrial Valves Limited)

Dear Sir,

This is to inform you under Regulation 30 and any other Regulation of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 a meeting of the Board of Directors of the Company was held on **Monday, 29th June, 2020** and the same meeting commenced at **5:00 p.m.** and concluded at **8:30 p.m.** In that meeting the Board has decided following matters:

Considered and approved the audited Financial Results for the quarter and year ended 31st March 2020.

Pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, we hereby enclose the following:

Audited Financial Results (Standalone) for the quarter and year ended on 31st March, 2020.

Audit report on Standalone Financial Results for the quarter and year ended on 31st March, 2020.

Declaration regarding Audit Report with unmodified / unqualified opinion.

Yours faithfully,
For, CHEMTECH INDUSTRIAL VALVES LIMITED

Harsh Pradeep Badkur
Chairman and Managing Director
(DIN:00676715)



Raju and Prasad

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
CHEMTECH INDUSTRIAL VALVES LIMITED

Report on the Ind AS financial statements

Opinion

We have audited the accompanying Ind AS financial statements of **CHEMTECH INDUSTRIAL VALVES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, the Cash Flow Statement, the Statement of Changes in Equity and notes to financial statements including a summary of the significant accounting policies and other explanatory information for the year then ended.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March-31, 2020, and its Profit, changes in equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

This section of our auditors' report is intended to describe the matters selected from those communicated with those charged with governance that, in our professional judgment, were of most significance in our audit of the financial statements.



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a) Revenue recognition (IND AS 115)

The application of the new standard on recognition of revenue involves significant judgement and estimates made by the management which includes identification of performance obligations contained in contracts, determination of the most appropriate method for recognition of revenue relating to the identified performance obligations, assessment of transaction price and allocation of the assessed price to the individual performance obligations. Audit procedure involved review of the company's IND AS 115 implementation process and key judgments made by management, evaluation of customer contracts in light of IND AS 115 on sample basis and comparison of the same with management's evaluation and assessment of design and operating effectiveness of internal controls relating to revenue recognition.

Based on the procedures performed, it is concluded that management's judgments with respect to recognition and measurement of revenue in light of IND AS 115 is appropriate.

Emphasis of Matter

Attention is drawn to Contingent Liability shown as a foot note to the Annual Financial Results, wherein company has shares of, Fixed deposit of and current account with CKP Bank amounting to Rs. 5,37,500/- , Rs. 1,30,147/- and Rs. 5,10,886/- respectively. CKP bank's license is withdrawn by RBI and RBI has declared that Rs. 5,00,000/- will be confirm given to depositors and remaining amount will be given to deposit holders and shareholders if reserves are available.

It is Still recorded as an asset in financials, which will be reversed as and when confirmation is received from RBI about nonpayment to depositors and shareholders.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.





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The Board of Directors are also responsible for overseeing the company's financial reporting process

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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 financial statements, 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness management's 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 standalone financial statements 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.
- 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. A) As required by Section 143 (3 the Act,) of we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.





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- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - refer Notes 34.1 to the Ind AS financial statements.
 - The Company has long term contract but, does not have any derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transfer, to the Investor Education and Protection Fund by the Company during the year ended 31.03.2020.

B) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Raju & Prasad Chartered Accountants

FRN No. : 003475

AT Jain
Avinash T Jain

Partner



Membership No.: 041689

UDIN : 20041689AAAARK5693

Place : Mumbai

Date : 29.06.2020



Audited Statement of Assets And Liabilities for the Period Ended On 31/03/2020			
Statement of Assets and Liabilities		Amount In lacs.	
		As at 31.03.2020	As at 31.03.2019
Sr. No.	Particulars		
A ASSETS			
1 Non-Current Assets			
(a)	Property, Plant and Equipment	1,299.88	1,394.40
(b)	Capital Work-in-Progress	5.42	
(c)	Investment Property		
(d)	Intangible Assets	5.72	7.07
(e)	Financial Assets		
	- Non Current Investments	5.38	5.38
	- Trade Receivables	197.71	311.58
	- Loans and Advance	3.37	3.37
	- Other Non Current Financial Assets		5.86
(f)	Non Current Tax Assets (Net)	15.31	
(g)	Other Non-Current Assets	42.62	0.22
	TOTAL NON CURRENT ASSETS	1,575.40	1,727.88
2 Current Assets			
(a)	Inventories	426.68	319.56
(b)	Financial Assets		
	- Investments		
	- Trade Receivables	249.09	334.45
	- Cash and cash equivalents	120.94	48.53
	- Other Bank Balances		
	- Loans	33.58	7.66
	- Other Financial Assets		
(c)	Other Current Assets	26.64	25.72
	TOTAL CURRENT ASSETS	856.94	735.92
	TOTAL ASSETS	2,432.34	2,463.80
B EQUITY AND LIABILITIES			
1 Equity			
(a)	Equity Share Capital	1,148.73	1,148.73
(b)	Other Equity	-253.97	-354.79
	TOTAL EQUITY	894.77	793.94
2 Liabilities			
(A)	Non-current Liabilities		
(a)	Financial Liabilities		
	- Borrowings	844.33	860.63
	- Trade Payables	21.59	25.37
(b)	Provisions	12.07	8.85
(c)	Deferred Tax Liabilities	68.54	75.19
(d)	Other Non Current Liabilities	1.05	1.05
	TOTAL NON CURRENT LIABILITIES	947.58	971.09
(B)	Current Liabilities		
(a)	Financial Liabilities		
	- Borrowings	148.09	104.50
	- Trade Payables	241.85	307.96
	- Other Current Financial Liabilities	137.83	180.88
(b)	Other Current Liabilities	58.97	102.21
(c)	Provisions	3.25	3.22
(d)	Current Tax Liabilities (Net)		
	TOTAL CURRENT LIABILITIES	589.99	698.78
	TOTAL LIABILITIES	1,537.57	1,669.87
	TOTAL EQUITIES AND LIABILITIES	2,432.34	2,463.80
Note:			
1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 29/06/2020			
2 The Company has adopted Indian Accounting Standards (Ind AS) from 1st April, 2017. The figures for the Quarter / Year ended 31st March, 2020 are in compliance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs. The figures for quarter ended 31st March, 2020 are the balancing figures between the audited figures in respect of the full financial year and the year-to-date figures upto the third quarter of the financial year.			
3 The format for above results as prescribed in SEBI's circular CIR/CFD/CMD/IS/ZDIS dated Nov 30, 2015 has been modified to comply with the requirements of SEBI's circular dated July 5, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013 applicable to companies that are required to comply with Ind AS.			
4 The figures have been regrouped/rearranged wherever necessary. The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to-date figures upto the third quarter of the current financial year.			
5 The Operation of the Company predominantly relates in two business segments i.e. "Manufacturing of Industrial Valves" and "Trading of various items for project sales". Business segments have been identified as separable primary segment in accordance with Indian Accounting Standard 108 "Operating Segments" as prescribed under Companies (Accounting Standards) Rules, 2006, taking into menu the organizational and internal reporting structure as well as evaluation of risks and returns of these segments, The balance is shown as unallocated items.			
6 IMPACT OF COVID-19			
The Management has considered the possible risk that may result from the pandemic relating to COVID-19 for the components of the company and expects to recover the carrying amount of all its assets including inventories, receivables, investments and other financial and non-financial assets in the ordinary course of business and there is minor impact due to COVID-19 on revenue for year ended March 31, 2020 (overall there is increase in turnover compared to last year) based on the internal and external information available upto the date of approval of these financial results. The Management is continuously monitoring any material changes in future economic conditions			
Date: 29.06.2020 Place: Mumbai		For, Chemtech Industrial Valves Limited	
		 	
		HARSH PRADEEP BADKUR (Managing Director and Chairman) PIN: 90676715	

CHEMTECH INDUSTRIAL VALVES LIMITED
Cash Flow Statement for the Year ended 31st March, 2020

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
A. Cash flow from operating activities		
Net Profit / (Loss) before tax	94,29,945	74,258
Adjustments for:		
Depreciation and amortization	1,01,15,586	1,06,04,227
Finance costs	1,32,05,673	1,46,49,520
Provision for Gratuity	3,25,022	35,833
Profit on sale of Machinery	-	-
Foreign Exchange Fluctuation	-	-
Sundry Balance written off	-	-
Interest Received	(3,35,993)	(10,21,580)
Dividend income	(38)	(38)
Loan Processing Fee	(12,927)	71,693
Operating Profit before Working capital changes	3,27,27,267	2,44,13,913
Adjusted for:		
Inventories	(1,07,11,868)	(92,34,319)
Trade receivables	1,99,22,697	(2,66,703)
Long Term Loans & Advances	-	25,290
Other Non-current Assets	(51,85,052)	14,42,183
Short-term loans and advances	(25,91,643)	(3,92,350)
Other current assets	(92,146)	26,95,334
Long Term Provision	-	-
Other Non-current Liability	-	(2,56,723)
Short Term Provision	-	-
Trade payables	(69,88,756)	1,01,68,298
Other current liabilities	(86,29,319)	(46,75,308)
Cash Generated from Operations	1,84,51,180	2,39,19,616
Taxes paid	-	-
Net Cash Generated from Operations	1,84,51,180	2,39,19,616
B. Cash flow from investing activities		
Purchase of Fixed assets	(10,69,410)	(17,11,367)
Sale of Fixed assets	-	-
Interest Received	3,35,993	10,21,580
Dividend received	38	38
Net cash used in investing activities:	(7,33,379)	(6,89,749)
C. Cash flow from financing activities		
Proceeds from long-term borrowings (net of repayment)	(16,29,203)	(79,88,120)
Proceeds from other short-term borrowings	43,58,617	(25,90,148)
Finance cost	(1,32,05,673)	(1,46,49,520)
Net cash used in financing activities	(1,04,76,259)	(2,52,27,787)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	72,41,542	(19,97,920)
Cash and cash equivalents at the beginning of the year	48,52,556	68,50,478
Cash and cash equivalents at the end of the year	1,20,94,098	48,52,556
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		
(i) Cash in Hand	14,64,033	16,07,949
(ii) Balances with Banks	1,06,30,066	32,44,607
TOTAL	1,20,94,098	48,52,556

Notes:

1) The Cash Flow statement has been prepared under the 'Indirect Method' as set out in the 'Ind AS-7 "Statement of Cash Flow"' and notified in Companies (accounting standards) rules, 2006 (as amended)

2) Figure in brackets indicates cash outflow.

3) Previous year figures have been regrouped/rearranged wherever necessary.

As per our report of even date.

As per our report of even date annexed

For Raju & Prasad
Chartered Accountants
FRN - 003475S

(Avinash. T. Jain)
Partner
Membership No.: 041689
Place : Mumbai

For and on Behalf of the Board of Directors




Harsh Pradeep Badkur
(Managing Director and Chairman)
DIN: 00676715



Audited Segment wise Revenue, Results and Capital Employed for Quarter and Year Ended as on 31st March, 2020						
Sr. No	Particulars	Quarter Ended			Year Ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Segment Revenue					
a.	Manufacturing	144.89	730.22	248.54	1929.87	788.02
b.	Trading of Steel Wire Rod	0.00	0.00	0.00	0.00	0.00
c.	Project Sales	-11.53	0.00	295.33	0.00	795.33
d.	Unallocated	12.82	1.43	13.42	49.85	104.01
a.	Total	146.17	731.66	557.28	1979.72	1687.35
	Less : Inter Segment Revenue	0.00	0.00	0.00	0.00	0.00
	Net Income from Operations	146.17	731.66	557.28	1979.72	1687.35
2	Segment Results Profit / (Loss) before tax and interest from each segment					
a.	Manufacturing	37.41	184.15	110.58	407.14	154.41
b.	Trading of Steel Wire Rod	0.00	0.00	0.00	0.00	0.00
c.	Project Sales	-15.03	0.00	37.25	-3.50	86.95
d.	Unallocated	-34.92	-78.78	-24.16	-177.29	-94.12
b.	Total	-12.53	105.37	123.67	226.35	147.24
	Less : Finance Cost	30.27	33.40	34.63	132.06	146.50
	Other Unallocable Expenditure Net Off	0.00	0.00	0.00	0.00	0.00
	Unallocable Income	0.00	0.00	0.00	0.00	0.00
	Total Profit/(Loss) before Tax (A-B)	-42.80	71.97	89.04	94.29	0.74
3	Capital Employed (Segment assets - Segment liabilities)					
a.	Manufacturing	831.73	634.58	545.34	831.73	545.34
b.	Trading of Steel Wire Rod	0.00	0.00	0.00	0.00	0.00
c.	Project Sales	8.50	0.00	132.99	8.50	132.99
d.	Unallocated	54.53	306.91	115.61	54.53	115.61
	Total	894.77	941.49	793.94	894.77	793.94

Date: 29/06/2020

Place: Mumbai

For, Chemtech Industrial Valves Limited



HARSH PRADEEP BADKUR

(Managing Director and Chairman)

(DIN:00676715)

Declaration

[Pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015]

It is hereby declared and confirmed that the Auditors' Report on Annual Audited Standalone financial results for the quarter and year ended on 31st March, 2020 of the company is with unmodified opinion.

This declaration is issued in compliance of Regulation 33(3) (d) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015 as amended by the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2016 vide notification No. SEBI/LAD-NRO/GN/2016-17 /001.

For, **Chemtech Industrial Valves Limited**




Harsh Pradeep Badkur
Chairman and Managing Director
[DIN: 00676715]