



ARFIN INDIA LIMITED

ARFIN INDIA LIMITED

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

(₹ in Lakhs Except Per Share Data)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31-Mar-20 (Audited)	31-Dec-19 (Unaudited)	31-Mar-19 (Audited)	31-Mar-20 (Audited)	31-Mar-19 (Audited)
1	Income From Operations					
	(a) Value of Sales and Services (Revenue)	8,722.38	11,780.31	10,632.34	41,164.44	48,363.86
	Less: GST Recovered	926.07	1,412.33	1,491.77	5,307.17	7,075.81
	(b) Revenue From Operations	7,796.31	10,367.98	9,140.57	35,857.27	41,288.05
	(c) Other Income	108.72	23.03	4.35	161.44	56.44
	Total Income (b+c)	7,905.03	10,391.01	9,144.92	36,018.71	41,344.49
2	Expenses					
	(a) Cost of Materials Consumed	8,087.92	7,631.53	8,688.99	31,275.77	35,434.53
	(b) Purchase of Stock-In-Trade	0.00	0.00	0.00	0.00	0.00
	(c) Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade - (Increase) / Decrease	(1,483.02)	645.00	(1,242.36)	(1,660.68)	(1,977.45)
	(d) Employee Benefits Expense	128.35	128.30	172.35	499.77	771.15
	(e) Finance Costs	307.96	386.67	382.53	1,361.51	1,178.52
	(f) Depreciation and Amortization Expense	70.55	70.46	47.26	265.72	203.86
	(g) Other Expenses					
	Power and Fuel	242.03	304.41	254.04	1,055.47	1,059.86
	Other Expenses (Refer Note No. 9 below)	3,222.00	960.83	1,113.65	5,271.39	3,679.52
	Total Other Expenses	3,464.03	1,265.24	1,367.69	6,326.87	4,739.38
	Total Expenses	10,575.79	10,127.20	9,416.46	38,068.96	40,350.00
3	Profit / (Loss) Before Exceptional and Extraordinary Items and Tax (1-2)	(2,670.75)	263.81	(271.54)	(2,050.24)	994.49
4	Exceptional Items	0.00	0.00	0.00	0.00	0.00
5	Profit / (Loss) Before Extraordinary Items and Tax (3-4)	(2,670.75)	263.81	(271.54)	(2,050.24)	994.49
6	Extraordinary Items	0.00	0.00	0.00	0.00	0.00
7	Profit / (Loss) Before Tax (5-6)	(2,670.75)	263.81	(271.54)	(2,050.24)	994.49
8	Tax Expense					
	Current Tax	(127.00)	81.00	(148.31)	0.00	285.69
	Deferred Tax	22.17	74.01	(2.66)	106.94	52.64
	Total Tax Expense	(104.83)	155.01	(150.97)	106.94	338.33
9	Profit / (Loss) for the Period (7-8)	(2,565.92)	108.80	(120.57)	(2,157.18)	656.16
10	Other Comprehensive Income / (Loss) (OCI)	6.38	8.16	9.16	22.65	21.75
11	Total Comprehensive Income / (Loss) After Tax (9+10)	(2,559.54)	116.96	(111.41)	(2,134.53)	677.91
12	Paid-Up Equity Share Capital (Face Value of ₹ 10/- Each)	1,589.24	1,589.24	1,589.24	1,589.24	1,589.24
13	Other Equity (Excluding Revaluation Reserves as shown in the Audited Balance Sheet)	-	-	-	4,898.76	7,033.29
14	Earnings Per Share (Before and After Extra Ordinary Items) (Not Annualized)					
	Basic (₹)	(16.15)	0.68	(0.76)	(13.57)	4.61
	Diluted (₹)	(16.15)	0.68	(0.76)	(13.57)	4.61

STATEMENT OF ASSETS AND LIABILITIES

₹ in Lakhs

Particulars	As At March 31, 2020	As At March 31, 2019
	(Audited)	(Audited)
ASSETS		
NON-CURRENT ASSETS		
(a) Property, Plant and Equipment	4,599.51	3,821.35
(b) Capital Work-In-Progress	1,264.66	1,722.97
(c) Financial Assets		
(i) Loans	62.75	74.22
(ii) Others	41.30	41.30
(d) Other Non-Current Assets	85.54	106.50
	6,053.76	5,766.34
CURRENT ASSETS		
(a) Inventories	9,623.48	10,295.09
(b) Financial Assets		
(i) Investments	501.83	472.52
(ii) Trade Receivables	3,104.35	4,987.00
(iii) Cash and Cash Equivalents	19.13	16.02
(iv) Bank Balances Other Than (iii) Above	295.29	302.86
(v) Loans	45.79	60.67
(vi) Others Current Financial Assets	2.04	1.71
(c) Other Current Assets	258.54	515.54
	13,850.45	16,651.40
TOTAL ASSETS	19,904.21	22,417.74



STATEMENT OF ASSETS AND LIABILITIES

₹ in Lakhs

Particulars	As At March	As At March
	31, 2020	31, 2019
	(Audited)	(Audited)
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	1,589.24	1,589.24
(b) Other Equity	4,898.76	7,033.29
	6,488.00	8,622.53
LIABILITIES		
NON-CURRENT LIABILITIES		
(a) Financial Liabilities		
(i) Borrowings	1,313.75	1,062.63
(b) Provisions	37.95	27.42
(c) Deferred Tax Liabilities (Net)	407.63	289.34
	1,759.33	1,379.39
CURRENT LIABILITIES		
(a) Financial Liabilities		
(i) Borrowings	9,371.24	10,088.24
(ii) Trade Payables	1,843.44	1,864.20
(iii) Other Financial Liabilities	300.63	273.36
(b) Other Current Liabilities	68.71	19.78
(c) Provisions	72.85	170.24
	11,656.88	12,415.82
TOTAL EQUITY AND LIABILITIES	19,904.21	22,417.74

CASH FLOW STATEMENT

₹ in Lakhs

Particulars	As At March	As At March
	31, 2020	31, 2019
	(Audited)	(Audited)
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) Before Tax	(2,050.24)	994.49
Adjustments for:		
Depreciation and Amortization	265.72	203.86
Interest and Finance Charges	1,361.51	1,178.52
Interest income	(20.83)	(20.90)
(Gain) / Loss on Fixed Assets Sold / Discarded (Net)	(7.46)	10.21
Others	0.00	0.00
Operating Profit Before Working Capital Changes	(451.30)	2,366.18
Adjustments for Changes in Working Capital:		
(Increase) / Decrease in Trade Receivables, Loans & Advances and Other Assets	2,154.20	2,726.03
(Increase) / Decrease in Inventories	671.61	(2,262.44)
Increase / (Decrease) in Trade Payables, Other Liabilities and Provisions	99.15	(303.30)
(Increase) / Decrease Other Non Current Assets	32.43	(109.61)
Increase / (Decrease) Other Non Current Liabilities	10.53	14.29
Cash Generated From Operations	2,516.63	2,431.14
Income Taxes Paid	169.73	1,114.23
Net Cashflow From Operating Activities	2,346.90	1,316.91
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,074.22)	(996.35)
Additions in Capital Work-in-Progress	458.31	(752.93)
Proceeds From Sale of Fixed Assets	37.80	8.36
Purchase of Non Current Investments	0.00	0.00
Investments in Bank Deposits (with Original Maturity over 3 Months)	7.56	33.38
Interest Received	20.83	20.90
Net Cashflow From Investing Activities	(549.72)	(1,686.64)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Share Capital & Capital Reserve	0.00	0.00
Proceeds / (Repayment) from Long Term Borrowings	284.44	0.93
Proceeds / (Repayment) from Short Term Borrowings	(717.00)	1,842.99
Payment of Dividend & Dividend Tax thereon	0.00	(318.80)
Interest and Finance Charges	(1,361.51)	(1,165.32)
Net Cashflow from Financing Activities	(1,794.07)	359.81
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	3.11	(9.92)
Cash and Bank Balances at the Beginning of the Year	16.02	25.93
Cash and Bank Balances at the End of the Year	19.13	16.02



Notes:

1. The Company has only one reportable primary business segment as per Ind AS 108 i.e. manufacturing and trading of non-ferrous metals.
 2. The above Audited Financial Results have been reviewed by the Audit Committee and approved and taken on record by the Board of Directors in their meetings held on Friday, July 31, 2020. The Statutory Auditors have expressed an unmodified audit opinion.
 3. These audited financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other Accounting Principles generally accepted in India.
 4. Figures for the previous periods are Re-classified / Re-arranged / Re-grouped, wherever necessary, to correspond with the current period's Classification / Disclosure.
 5. The managing director and chief financial officer certificate in respect of the above results in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the board of directors.
 6. The figures of the last quarter are the balancing figures between audited figures in respect of full financial year ended on March 31, 2020 and the published year to date figures upto third quarter of the current financial year.
 7. The Company does not have any Exceptional or Extra Ordinary items to report for the above periods.
 8. Mr. Dineshchandra M. Shah (DIN: 02479309) had resigned from the post of Non-Executive Independent Director of the company effective from January 27, 2020. The board of directors took note of the said resignation at its meeting held on Monday, January 27, 2020 and Mr. Hardik S. Hundia (DIN: 02022246) has been appointed as an Additional Independent Director of the Company in the said board meeting to fill casual vacancy occurred by the earlier resignation of Mr. Shantilal Mehta (DIN: 06459451) from the post of Independent Director.
 9. Other Expenses for the quarter and financial year ended March 31, 2020 includes Sundry Balances Written Off of ₹ 2,523.97 Lakhs of Essar Steel India Limited. The Hon'ble Supreme Court of India, vide its order dated November 15, 2019 in the matter of Essar Steel India Limited "Corporate debtor" under the Insolvency and Bankruptcy Code, 2016, set aside the NCLAT's judgment dated July 05, 2019 (i.e. operational creditors should be treated on par with financial creditors for distribution of funds from Arcelor Mittal's bid in the Essar Steel insolvency case) by upholding the primacy of financial creditors in the distribution of funds received under the corporate insolvency scheme. The company being an operational creditor has recovered part of the outstanding due through the corporate insolvency scheme as approved by the Committee of Creditors on March 27, 2019 and the balance outstanding amount of ₹ 2,523.97 Lakhs as on the date of filing of application (i.e. August 02, 2017) of Essar Steel matter to NCLT under IBC Act, has been written off and netted under the head "Sundry Balances Written Off".
 10. On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the new coronavirus ("COVID-19") as a pandemic. This outbreak is causing significant disturbances and slow down of economic activity. COVID-19 is significantly impacting business operations by way of interruption in production, supply chain disruption, unavailability of personnel, closure of production facilities etc. The Company's operations were impacted in the month of March 2020, due to scaling down / suspending production across all plants following nationwide lockdown announced by the Government of India in view of COVID-19. The Government of India permitted certain additional activities from April 05, 2020 in non-containment zones, subject to requisite approvals as may be required. The Company could secure the requisite approvals and has accordingly commenced limited operations and is gradually ramping up capacity since then.
- In assessing the recoverability of trade receivables, sales and production etc., the Company has considered various internal and external information up to the date of approval of these financial results and concluded that they are recoverable based on the estimate of values of the businesses and assets. In making the said projections, reliance has been placed on estimates of future prices of aluminium, copper and other raw material, mineable resources, and assumptions relating to operational performance including significant improvement in capacity utilisation and margins based on forecasts of demand in local markets, and capacity expansion / availability of infrastructure facilities for materials.
- The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

On Behalf of Board of Directors
For, Arfin India Limited

Mahendra R. Shah

Mahendra R. Shah

Chairman & Executive Director

(DIN: 00182746)



Place: Ahmedabad

Date: July 31, 2020



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

To,

The Board of Directors,

Arfin India Limited

Ahmedabad-09, Gujarat, India.

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone quarterly financial results of Arfin India Limited (the company) for the quarter ended March 31, 2020 and the year to date results for the period from April 01, 2019 to March 31, 2020, 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 ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit/loss and other comprehensive income and other financial information for the quarter ended March 31, 2020 as well as the year to date results for the period from April 01, 2019 to March 31, 2020.

Emphasis of Matter

We draw attention to Note No. 10 of Audited Financial Results in respect of sundry balances written off amounting to ₹2,523.97 Lakhs of Essar Steel India Limited pursuant to the order of Hon'ble Supreme Court of India dated November 15, 2019 under Insolvency and Bankruptcy code 2016. Our opinion is not modified in respect of this matter.

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 (the Act). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results 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.



Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 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 Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.



- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the 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.

**For Sanjay Bajoria & Associates,
Chartered accountants**

FRN: 117443W

Kalpesh R. Shah



Kalpesh R. Shah

(Partner)

(Membership No.: 103301)

UDIN: 20103301AAAABL4228

Place: Ahmedabad

Date: July 31, 2020



Arfin India Limited

July 31, 2020

BSE Limited Corporate Relation Department, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001, Maharashtra, India.	Scrip Code : 539151 Security ID : ARFIN ISIN : INE784R01015
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Subject: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

In compliance with the provisions of Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we hereby declare that M/s. Sanjay Bajoria & Associates, Chartered Accountants, Firm Regd. No. 117443W, the Statutory Auditors of the company have issued an Audit Report with unmodified opinion on the Financial Results of the company for the quarter and financial year ended March 31, 2020.

Kindly take the above declaration on your record.

Thanking you,

For Arfin India Limited

Mahendra R. Shah

Mahendra R. Shah

Chairman & Whole Time Director

DIN: 00182746

