

# Walker Chandiook & Co LLP

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## Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of KRBL Limited

### Qualified Opinion

1. We have audited the accompanying standalone annual financial results of KRBL Limited ('the Company') for the year ended 31 March 2021, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations except for the possible effects of the matter described in paragraph 3 below; and
  - (ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the standalone net profit after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2021 except for the possible effects of the matter described in paragraph 3 below.

### Basis for Qualified Opinion

3. As stated in Note 8 of the standalone annual financial results, the Company's Joint Managing Director Mr. Anoop Kumar Gupta had been detained and released on bail by the Enforcement Directorate ('ED') with regard to an ongoing investigation under the Prevention of Money Laundering Act, 2002, for alleged involvement in AgustaWestland case, pursuant to the order of Special Judge, Rouse Avenue Courts dated 30 January 2021 and dated 5 April 2021, respectively. ED vide their criminal complaint dated 30 March 2021 has made certain allegations against the Company, KRBL DMCC (a subsidiary of the Company) and Mr. Anoop Kumar Gupta. The Board of Directors of the Company have appointed an independent professional firm to review the aforesaid allegations, by undertaking steps as necessary, in order to assess impact of aforesaid matter, if any, on the standalone financial statements and control environment of the Company. Pending the ongoing investigation on the above matter, we are unable to comment on any adjustment that may be required to the accompanying standalone annual financial results of the Company.

Our review report for the quarter ended 31 December 2020 was also qualified with respect to this matter.



# Walker Chandiook & Co LLP

## **Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)**

4. 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 financial statements under the provisions of the Act 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 obtained by us, is sufficient and appropriate to provide a basis for our qualified opinion.

### **Emphasis of Matters**

5. We draw attention to:
  - a. Note 6 to the standalone annual financial results which describes the details of certain income tax matters currently pending before appropriate appellate authorities as at 31 March 2021. Based on the legal assessment of the outcome of such litigations, the management is of the view that no adjustment is required in the accompanying standalone annual financial results.
  - b. Note 7 to the standalone annual financial results, wherein it is stated that a portion of land parcels and building thereupon owned by the Company as identified in the aforesaid note has been attached by the Directorate of Enforcement ("ED"), which is being contested by the Company. The Company had filed an appeal with the Appellate Tribunal, PMLA (Government of India), New Delhi, ("Appellate Tribunal") and vide its order dated 17 January 2020, the Appellate Tribunal had ordered to restore the possession in favor of the Company while the aforesaid attachment would continue till the conclusion of the matter. The matter is being contested in the Hon'ble High Court of Delhi ('High Court'). The High Court vide its order dated 23 October 2020 has restored the physical possession of the aforesaid land parcels and building thereupon for specified purposes against a deposit of Rs. 1,113 lakh, as an interim relief until conclusion of the aforesaid matter. Based on the legal assessment of the outcome of the aforesaid matter, the management is of the view that no adjustment is required to the accompanying standalone annual financial results.

Our opinion is not modified in respect of above matters.

### **Responsibilities of Management and Those Charged with Governance for the Statement**

6. This Statement has been prepared on the basis of the standalone annual audited financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS 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 Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
7. In preparing the Statement, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



# Walker Chandiook & Co LLP

## **Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)**

8. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Statement**

9. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing, specified under section 143(10) of the Act, 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 this Statement.
10. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Statement, 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. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place adequate internal financial controls with reference to financial statements 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 management.
  - Conclude on the appropriateness of the 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 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
11. 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.
12. 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.

# Walker Chandiok & Co LLP

**Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)**

## **Other Matter**

13. The Statement includes the standalone financial results for the quarter ended 31 March 2021, being the balancing figures 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 subject to limited review by us.

## **For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

*Rohit Arora*

**Rohit Arora**

Partner

Membership No. 504774

**UDIN:** 21504774AAAAEO8408

**Place:** New Delhi

**Date:** 29 June 2021



# KRBL LIMITED

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## STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

(Rs. in lakh except as stated otherwise)

S. No.	Particulars	Quarter ended			Year ended	
		31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020
		Refer note 12	(Unaudited)	Refer note 12	(Audited)	
<b>1.</b>	<b>Income</b>					
(a)	Revenue from operations	97,397	1,12,069	1,06,229	3,99,188	4,49,864
(b)	Other income	286	772	935	2,243	2,226
	<b>Total income</b>	<b>97,683</b>	<b>1,12,841</b>	<b>1,07,164</b>	<b>4,01,431</b>	<b>4,52,090</b>
<b>2.</b>	<b>Expenses</b>					
(a)	Cost of materials consumed	92,496	86,375	74,835	3,14,515	3,03,592
(b)	Purchase of stock-in-trade	4	437	174	681	1,212
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(26,849)	(6,863)	(1,738)	(39,300)	17,340
(d)	Employee benefits expenses	2,422	2,268	2,162	8,847	8,235
(e)	Finance costs	751	455	1,848	2,359	6,244
(f)	Depreciation and amortisation expense	1,809	1,804	1,802	7,190	7,282
(g)	Other expenses	8,367	8,880	7,936	32,065	32,308
	<b>Total expenses</b>	<b>79,000</b>	<b>93,356</b>	<b>87,019</b>	<b>3,26,357</b>	<b>3,76,213</b>
<b>3.</b>	<b>Profit before tax (1-2)</b>	<b>18,683</b>	<b>19,485</b>	<b>20,145</b>	<b>75,074</b>	<b>75,877</b>
<b>4.</b>	<b>Tax expense</b>					
(a)	Current tax	5,086	5,108	5,438	19,824	20,021
(b)	Deferred tax charge	(253)	(197)	(305)	(779)	(85)
	<b>Total tax expense</b>	<b>4,833</b>	<b>4,911</b>	<b>5,133</b>	<b>19,045</b>	<b>19,936</b>
<b>5.</b>	<b>Profit after tax (3-4)</b>	<b>13,850</b>	<b>14,574</b>	<b>15,012</b>	<b>56,029</b>	<b>55,941</b>
<b>6.</b>	<b>Other comprehensive income</b>					
(a)	Items that will not be reclassified to profit or loss	107	(57)	(229)	(66)	(224)
(b)	Tax expense relating to items that will not be reclassified to profit or loss *	(27)	15	60	18	59
(c)	Items that will be reclassified to profit or loss	25	(151)	(841)	922	(848)
(b)	Tax expense relating to items that will be reclassified to profit or loss	(10)	39	223	(244)	224
	<b>Total other comprehensive (loss)/income</b>	<b>95</b>	<b>(154)</b>	<b>(787)</b>	<b>630</b>	<b>(789)</b>
<b>7.</b>	<b>Total comprehensive income (5+6)</b>	<b>13,945</b>	<b>14,420</b>	<b>14,225</b>	<b>56,659</b>	<b>55,152</b>
<b>8.</b>	<b>Paid-up equity share capital (face value of Re. 1/- each)</b>	<b>2,354</b>	<b>2,354</b>	<b>2,354</b>	<b>2,354</b>	<b>2,354</b>
<b>9.</b>	<b>Other equity</b>				<b>3,66,162</b>	<b>3,09,503</b>
<b>10.</b>	<b>Earnings per equity share ("EPS") (face value of Re.1/- each) (EPS for the quarter not annualized)</b>					
(a)	Basic	5.88	6.19	6.38	23.80	23.76
(b)	Diluted	5.88	6.19	6.38	23.80	23.76

\*Rounded off to zero





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## NOTES TO THE STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

### 1. Operating Segments Disclosure as per Ind AS 108 'Operating Segments':

(Rs. in lakh except as stated otherwise)

S. No.	Particulars	Quarter ended			Year ended	
		31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020
		Refer note 12	(Unaudited)	Refer note 12	(Audited)	
<b>1.</b>	<b>Segment revenue</b>					
(a)	Agri	95,614	1,10,180	1,03,957	3,89,892	4,37,855
(b)	Energy	4,182	4,087	4,230	17,986	20,151
	<b>Total segment revenue</b>	<b>99,796</b>	<b>1,14,267</b>	<b>1,08,187</b>	<b>4,07,878</b>	<b>4,58,006</b>
	Inter segment revenue - Energy	(2,399)	(2,198)	(1,958)	(8,690)	(8,142)
	<b>Net segment revenue</b>	<b>97,397</b>	<b>1,12,069</b>	<b>1,06,229</b>	<b>3,99,188</b>	<b>4,49,864</b>
<b>2.</b>	<b>Segment results</b>					
(a)	Agri	18,890	16,996	21,044	72,333	74,447
(b)	Energy	664	3,049	1,004	5,513	7,854
	<b>Total segment results (before finance costs and tax)</b>	<b>19,554</b>	<b>20,045</b>	<b>22,048</b>	<b>77,846</b>	<b>82,301</b>
	Less: Finance costs	713	411	1,778	2,167	5,911
	Less: Other unallocable expenditures (net of unallocable incomes)	158	149	125	605	513
	<b>Total profit before tax</b>	<b>18,683</b>	<b>19,485</b>	<b>20,145</b>	<b>75,074</b>	<b>75,877</b>
<b>3.</b>	<b>Segment assets</b>					
(a)	Agri	3,99,700	4,13,206	3,75,410	3,99,700	3,75,410
(b)	Energy	62,221	63,253	65,934	62,221	65,934
	<b>Total segment assets</b>	<b>4,61,921</b>	<b>4,76,459</b>	<b>4,41,344</b>	<b>4,61,921</b>	<b>4,41,344</b>
<b>4.</b>	<b>Segment liabilities</b>					
(a)	Agri	47,096	54,479	63,496	47,096	63,496
(b)	Energy	2,303	2,729	3,775	2,303	3,775
(c)	Unallocable	44,006	64,679	62,216	44,006	62,216
	<b>Total segment liabilities</b>	<b>93,405</b>	<b>1,21,887</b>	<b>1,29,487</b>	<b>93,405</b>	<b>1,29,487</b>
	<b>Segment revenue - Geographical information:</b>					
(a)	<b>Agri</b>					
	India	60,836	59,869	54,667	2,00,225	2,29,396
	Rest of the world	34,778	50,311	49,290	1,89,667	2,08,459
	<b>Sub-total (a)</b>	<b>95,614</b>	<b>1,10,180</b>	<b>1,03,957</b>	<b>3,89,892</b>	<b>4,37,855</b>
(b)	<b>Energy</b>					
	India	4,182	4,075	4,230	17,974	20,151
	Rest of the world	-	12	-	12	-
	<b>Sub-total (b)</b>	<b>4,182</b>	<b>4,087</b>	<b>4,230</b>	<b>17,986</b>	<b>20,151</b>
	<b>Total (a)+(b)</b>	<b>99,796</b>	<b>1,14,267</b>	<b>1,08,187</b>	<b>4,07,878</b>	<b>4,58,006</b>
	Inter-segment revenue - Energy	(2,399)	(2,198)	(1,958)	(8,690)	(8,142)
	<b>Total</b>	<b>97,397</b>	<b>1,12,069</b>	<b>1,06,229</b>	<b>3,99,188</b>	<b>4,49,864</b>



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## NOTES TO THE STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

### 2 Standalone Statement of Assets and Liabilities

(Rs. in lakh except as stated otherwise)

Particulars		31-03-2021	31-03-2020
A.	ASSETS	(Audited)	(Audited)
1.	<b>Non-current assets</b>		
	(a) Property, plant and equipment	86,862	88,428
	(b) Capital work-in-progress	891	1,214
	(c) Right of use assets	6,469	8,138
	(d) Other intangible assets	143	143
	(e) Intangible assets under development	16	-
	(f) Financial assets		
	(i) Investments	427	427
	(ii) Loans	1,051	929
	(iii) Other financial assets	32	14
	(g) Other non-current assets	25,562	24,973
	<b>Sub total non-current assets</b>	<b>1,21,453</b>	<b>1,24,266</b>
2.	<b>Current assets</b>		
	(a) Inventories	2,96,421	2,85,242
	(b) Financial assets		
	(i) Investments	1,889	584
	(ii) Trade receivables	20,129	23,020
	(iii) Cash and cash equivalents	15,873	1,345
	(iv) Bank balances other than (iii) above	233	3,801
	(v) Loans	1,137	16
	(vi) Other financial assets	1,793	1,134
	(c) Other current assets	2,993	1,936
	<b>Sub total current assets</b>	<b>3,40,468</b>	<b>3,17,078</b>
	<b>TOTAL ASSETS</b>	<b>4,61,921</b>	<b>4,41,344</b>
B.	<b>EQUITY AND LIABILITIES</b>		
1.	<b>Equity</b>		
	(a) Equity share capital	2,354	2,354
	(b) Other equity	3,66,162	3,09,503
	<b>Sub total shareholder's fund</b>	<b>3,68,516</b>	<b>3,11,857</b>
	<b>Liabilities</b>		
2.	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	597	1,957
	(ii) Lease liabilities	5,324	6,965
	(b) Provisions	874	733
	(c) Deferred tax liabilities (net)	13,809	14,588
	<b>Sub total non-current liabilities</b>	<b>20,604</b>	<b>24,243</b>
3.	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	28,837	46,270
	(ii) Trade payables		
	- Total outstanding due to micro enterprises and small enterprises	698	439
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	21,238	38,053
	(iii) Lease liabilities	828	615
	(iv) Other financial liabilities	16,789	15,994
	(b) Other current liabilities	2,688	2,066
	(c) Provisions	419	493
	(d) Current tax liabilities (net)	1,304	1,314
	<b>Sub total current liabilities</b>	<b>72,801</b>	<b>1,05,244</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,61,921</b>	<b>4,41,344</b>





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## NOTES TO THE STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

### 3. Standalone Statement of Cash Flow

(Rs. in lakh except as stated otherwise)

Particulars		For the year ended 31-03-2021 (Audited)	For the year ended 31-03-2020 (Audited)
<b>A</b>	<b>Cash flow from operating activities</b>		
	Profit before tax	75,074	75,877
	Adjustment for :		
	Depreciation and amortisation expenses	7,190	7,282
	Loss/(profit) on sale of property, plant and equipment	14	(6)
	Unrealised foreign exchange (net)	(31)	(193)
	Net (gain)/ loss on redemption and fair valuation of investments	(1,046)	124
	Balances credit impaired	245	130
	Liabilities/provisions no longer required, written back	(67)	(45)
	Gain on modification/termination of lease	(86)	-
	Finance costs	2,359	6,244
	Interest income	(443)	(709)
	Dividend income	(41)	(38)
	<b>Operating profit before working capital changes</b>	<b>83,168</b>	<b>88,666</b>
	Adjustments for working capital changes :		
	Increase in financial and other assets	(2,764)	(15,157)
	(Increase)/ decrease in inventories	(11,179)	27,643
	Decrease in trade receivables	2,652	16,795
	(Decrease)/increase in trade payables	(16,489)	16,120
	Increase in liabilities and provisions	3,074	5,890
	<b>Cash generated from operations</b>	<b>58,462</b>	<b>1,39,957</b>
	Income tax paid (net)	(20,060)	(18,757)
	<b>Net cash flow from operating activities (A)</b>	<b>38,402</b>	<b>1,21,200</b>
<b>B</b>	<b>Cash flow from investing activities</b>		
	Purchase of property, plant and equipment and intangible assets <sup>1</sup>	(4,142)	(4,267)
	Sale of property, plant and equipment	49	1,229
	Sale proceeds from investments	87,896	90,058
	Purchase of investments	(88,155)	(90,000)
	Movement from deposits (net)	2,775	(2,938)
	Interest received	369	526
	Dividend income	41	38
	<b>Net cash used in investing activities (B)</b>	<b>(1,167)</b>	<b>(5,354)</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Repayment of long term borrowings	(1,360)	(1,367)
	Repayment of lease liabilities	(738)	(564)
	Movement in short term borrowings (net)	(16,585)	(92,732)
	Finance cost paid	(3,248)	(5,895)
	Dividend paid	(776)	(11,695)
	Dividend distribution tax paid	-	(2,564)
	<b>Net cash used in financing activities (C)</b>	<b>(22,707)</b>	<b>(1,14,817)</b>
<b>D</b>	<b>Net increase in cash and cash equivalents during the year (A+B+C)</b>	<b>14,528</b>	<b>1,029</b>
	Cash and cash equivalents-opening balance	1,345	316
	<b>Cash and cash equivalents at the year end</b>	<b>15,873</b>	<b>1,345</b>
<b>E</b>	<b>Cash and cash equivalents</b>		
	Cash in hand	43	72
	Balances with banks	15,830	1,273
		<b>15,873</b>	<b>1,345</b>

#### Notes

- Net of movement in capital work-in-progress and capital advances.
- The above cash flow statement has been prepared under the 'indirect method' as set out in Ind AS 7, 'Statement of cash flows'.





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### NOTES TO THE STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

- 4 The above standalone financial results of KRBL Limited ("the Company") have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 29 June 2021 and have been audited by the statutory auditors of the Company.
- 5 The financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, specified in Section 133 of the Companies Act, 2013.
- 6 During the year ended 31 March 2019, the Company had received demand notices under section 153A/143(3) of the Income-tax Act, 1961, with respect to assessment years 2010-11 to 2016-17, amounting to Rs. 75,744 lacs and interest thereon Rs. 51,176 lacs, which were contested by the management at CIT (Appeals), New Delhi. During the year ended 31 March 2020, CIT (Appeals) had granted partial relief on certain matters in favor of the Company, vide order dated 11 March 2020, and correspondingly, income tax demand had been reduced by Rs. 69,612 lacs and interest thereon by Rs. 47,424 lacs.
- The Company had filed further appeals before Hon'ble Income-tax Appellate Tribunal (ITAT), New Delhi on 18 June 2020 for remaining matters sustained by CIT (Appeals) in respect of income tax demand of Rs. 6,132 lacs and interest thereon of Rs. 3,752 lacs. The Company had already paid Rs. 21,900 lacs, under protest.
- The Income-tax department has also filed appeals in Hon'ble Income Tax Appellate Tribunal, New Delhi in respect of the matters allowed by CIT (Appeals) for appeals filed by the Company. However, a copy of appeal had not been received by the company, in respect of said filing by the department.
- The management, based on legal assessment, is confident that it has a favorable case and the remaining demand shall also be deleted at the ITAT level.
- Further, the Company has received penalty orders under section 271(1) (c)/ 271AAB (1) for AY 2010-11 to 2016-17 on the matters sustained by CIT (Appeals) of amounting to Rs.11, 896 lacs. The company had filed appeals before CIT (Appeals) in respect of such penalty orders on 24th March, 2021.
- However, Hon'ble Income Tax Appellate Tribunal vide its order dated 12th March, 2021 has granted interim relief till 12 May 2021, which has been extended till 16th July, 2021 to the Company against recovery of such demand.
- The auditors of the Company have invited attention to the aforementioned issue in their audit report for the quarter and year ended 31 March 2021.
- 7 A portion of land parcels and building thereupon, situated at Dhuri, Punjab was attached by the Enforcement Directorate ("ED") vide its order dated 3 July 2019, to the extent of value of Rs. 1,532 lacs in connection with a money laundering investigation.
- The Company filed an appeal against the aforementioned order with Appellate Tribunal, PMLA, New Delhi, ("Appellate Tribunal") who vide its order dated 17 January 2020, had restored the possession of the attached land on interim basis in favour of the Company. However, aforesaid attachment would continue till the conclusion of the matter.
- Against the order of the Appellate Tribunal, ED had filed an appeal before the Hon'ble High Court of Delhi, which is pending for hearing.
- The Company filed an application before the Hon'ble High Court of Delhi for restoration of possession of the land in favour of the Company in accordance with the order dated 17 January 2020 passed by the Appellate Tribunal. The High Court vide its order dated 23 October 2020 has allowed the Company to take physical possession of the said land parcels and building thereupon for specified purpose against the deposit of Rs. 1,113 lacs, (deposited on 5 November 2020), as an interim relief until conclusion of the aforesaid matter, without prejudice to the rights and contentions of the parties to be decided in the appeal. The management based upon the legal assessments, is confident that it has a favourable case and the said attachment shall be vacated.
- The auditors of the Company have invited attention to the aforementioned issue in their audit report for the quarter and year ended 31 March 2021.
- 8 The Company's Joint Managing Director, Mr. Anoop Kumar Gupta had been detained and released on bail by the Enforcement Directorate ("ED") with regard to the investigation under the Prevention of Money Laundering Act, 2002, for alleged involvement in AgustaWestland case, pursuant to the order of Special Judge, Rouse Avenue Courts dated 30 January 2021 and dated 05 April 2021, respectively.
- ED vide their criminal complaint dated 30 March 2021, has made certain allegations against the Company, KRBL DMCC (a subsidiary of KRBL Limited) and Mr. Anoop Kumar Gupta. As per criminal complaint filed it is alleged that M/s Rawasi Al Khaleej General Trading LLC ("RAKGT") has received proceeds of crime of USD 24.62 million in AgustaWestland case during the period 2008-2010 which in turn has been transferred to KRBL Limited through KRBL DMCC. Basis the affidavit filed by Balsharaf Group (one of the Customer of the Company) in the Hon'ble High Court of Delhi in the said matter, the amount of USD 24.62 million has been received by Balsharaf Group from RAKGT. Pursuant to this, ED had attached 1,43,33,221 shares of Balsharaf Group held in KRBL Limited.
- The management of the Company has taken an opinion from an independent legal counsel and on the basis of the same is of the view that since the investigation is still ongoing no adverse opinion can be drawn. The Board of Directors of the Company have appointed an independent professional firm to review the aforesaid allegations, by undertaking steps as necessary, in order to assess impact of aforesaid matter, if any, on the standalone financial statements and control environment of the Company. Pending the ongoing investigation on the above matter, no adjustment has been made in the standalone financial statements of the Company. The management of the Company is confident that the above stated matter will be resolved soon.
- The auditors of the Company have qualified to the aforementioned issue in their audit report for the quarter and period ended 31 March 2021.
- 9 The Indian Parliament has approved the Code on Social Security, 2020 which is expected to impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.
- 10 The outbreak of Coronavirus (Covid-19) has severely impacted business globally including India. Since the nature of business performed by the Company falls under the essential category, the Company continued to operate its manufacturing facilities and distribute its products in accordance with the prescribed guidelines. Though there have been some operational difficulties due to lock down imposed in various regions, the impact on overall operations have not been significant. Further, the management of the Company has also assessed the impact of the situation on the capital, profitability, liquidity positions etc. giving due consideration to the internal and external factors, and based on its assessment, the pandemic doesn't have any material impact on the standalone financial statements of the Company. Further, on account of continued spread of COVID-19 in the country, the Company has made timely and requisite changes in business model during the year. The Company is continuously monitoring the situation arising on account of COVID-19 and will make appropriate action required, if any.
- 11 The Board of Directors of the Company in their meeting held on 29 June 2021 have recommended a final dividend of Rs. 3.50 (350%) per paid up equity share of Re.1/- each, aggregating to Rs. 8239 Lacs for the financial year ended 31 March 2021, subject to approval of shareholders in the ensuing Annual General Meeting of the Company.
- 12 Amounts for the quarters ended 31 March 2021 and 31 March 2020 are the balancing amounts between audited amounts for the full financial year and the published year to date amounts upto third quarter of the respective financial year, which were subjected to limited review.
- 13 The figures for the corresponding previous periods/year have been regrouped/reclassified, wherever necessary, to make them comparable.

For and on behalf of Board of Directors of  
KRBL Limited

Anil Kumar Mittal  
Chairman & Managing Director  
DIN: 00030100

Place: Noida  
Date: 29 June 2021





**Statement on Impact of Audit Qualifications submitted along with Annual Standalone Audited  
Financial results of KRBL Limited**

Statement on Impact of Audit Qualifications for the financial year ended 31 March 2021 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]			
(Rs. In Lakh)			
S.No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
I.	1. Turnover / Total income	401,431	Not ascertainable
	2. Total Expenditure	326,357	
	3. Net Profit/(Loss)	56,029	
	4. Earnings Per Share	23.80	
	5. Total Assets	461,921	
	6. Total Liabilities	93,405	
	7. Net Worth	368,516	
	8. Any other financial item(s) (as felt appropriate by the management)	None	
II.	<b>Audit Qualification (each audit qualification separately):</b>		
	<b>a. Details of Audit Qualification:</b> In respect of KRBL Limited ('the Company')		
	As stated in Note 8 of the standalone financial results, the Company's Joint Managing Director Mr. Anoop Kumar Gupta had been detained and released on bail by the Enforcement Directorate ('ED') with regard to an ongoing investigation under the Prevention of Money Laundering Act, 2002, for alleged involvement in AgustaWestland case, pursuant to the order of Special Judge, Rouse Avenue Courts dated 30 January 2021 and dated 5 April 2021, respectively. ED vide their criminal complaint dated 30 March 2021 has made certain allegations against the Company, KRBL DMCC (a subsidiary of the Company) and Mr. Anoop Kumar Gupta. The Board of Directors of the Company have appointed an independent professional firm to review the aforesaid allegations, by undertaking steps as necessary, in order to assess impact of aforesaid matter, if any, on the standalone financial results and control environment of the Company. Pending the ongoing investigation on the above matter, we are unable to comment on any adjustment that may be required to the accompanying standalone financial results of the Company.		
	<b>b. Type of Audit Qualification:</b>		
	Qualified Opinion		
	<b>c. Frequency of qualification:</b>		
	Appearing for the First time		
	<b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b>		
	Not applicable, as the impact is not quantified.		

*Attested*

*Sanjay*

*Rohit mehta*  
*#2*



	<p><b>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p><b>(i) Management's estimation on the impact of audit qualification:</b></p> <p>Unable to estimate</p> <p><b>(ii) If management is unable to estimate the impact, reasons for the same:</b></p> <p>The management of the Company has taken an opinion from an independent legal counsel and on the basis of the same is of the view that since the aforesaid investigation is still ongoing, no adverse opinion can be drawn. The Board of Directors of the Company have appointed an independent professional firm to review the aforesaid allegations, by undertaking steps as necessary, in order to assess impact of aforesaid matter, if any, on the standalone financial results and control environment of the Company.</p> <p><b>(iii) Auditors' Comments on (i) or (ii) above:</b></p> <p>Since the matter is still under the investigation stage, we are unable to determine whether any adjustment is required along with the consequential impact, if any, on the accompanying Standalone Financial Results of the Company.</p>
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**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**For and on behalf of the Board of Directors**



**Rohit Arora**  
Partner  
Membership No. 504774

**Place : New Delhi**  
**Date : 29 June 2021**

*Anil Kumar Mittal*  
**Anil Kumar Mittal**  
Chairman and Managing Director  
DIN-00030100

*Devendra Kumar Agarwal*  
**Devendra Kumar Agarwal**  
Chairman-Audit Committee  
DIN-06754542

**Place : Noida**  
**Date : 29 June 2021**

*Rakesh Mehrotra*  
**Rakesh Mehrotra**  
Chief Financial Officer  
M.No. 84366

*[Signature]*



# Walker Chandiook & Co LLP

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## **Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of KRBL Limited**

### **Qualified Opinion**

1. We have audited the accompanying consolidated annual financial results ('the Statement') of KRBL Limited ('the Holding Company' or 'the Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), for the year ended 31 March 2021, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate audited financial statements of the subsidiaries, as referred to in paragraph 14 below, the Statement:
  - (i) includes the annual financial results for the year ended 31 March 2021 of the following entities;
    - a. KB Exports Private Limited;
    - b. KRBL DMCC; and
    - c. KRBL LLC, (a subsidiary of KRBL DMCC)
  - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, except for the possible effects of the matter described in paragraph 3 below; and
  - (iii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other comprehensive income and other financial information of the Group, for the year ended 31 March 2021 except for the possible effects of the matter described in paragraph 3 below.



# Walker Chandio & Co LLP

## Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

### Basis for Qualified Opinion

3. As stated in Note 8 of the consolidated annual financial results, the Company's Joint Managing Director Mr. Anoop Kumar Gupta had been detained and released on bail by the Enforcement Directorate ('ED') with regard to an ongoing investigation under the Prevention of Money Laundering Act, 2002, for alleged involvement in AgustaWestland case, pursuant to the order of Special Judge, Rouse Avenue Courts dated 30 January 2021 and dated 5 April 2021, respectively. ED vide their criminal complaint dated 30 March 2021 has made certain allegations against the Company, KRBL DMCC (a subsidiary of the Company) and Mr. Anoop Kumar Gupta. The Board of Directors of the Company have appointed an independent professional firm to review the aforesaid allegations, by undertaking steps as necessary, in order to assess impact of aforesaid matter, if any, on the standalone financial statements and control environment of the Company. Pending the ongoing investigation on the above matter, we are unable to comment on any adjustment that may be required to the accompanying consolidated annual financial results of the Company.

Our review report for the quarter ended 31 December 2020 was also qualified with respect to this matter.

4. 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 Group, 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 financial statements under the provisions of the Act, 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 obtained by us and that obtained by the other auditors in terms of their reports referred to in paragraph 13 of the Other Matter section below, is sufficient and appropriate to provide a basis for our qualified opinion.

### Emphasis of Matters

5. We draw attention to:
  - a. Note 6 to the consolidated annual financial which describes the details of certain income tax matters currently pending before appropriate appellate authorities as at 31 March 2021. Based on the legal assessment of the outcome of such litigations, the management is of the view that no adjustment is required in the accompanying consolidated annual financial results.
  - b. Note 7 to the consolidated annual financial results, wherein it is stated that a portion of land parcels and building thereupon owned by the Holding Company as identified in the aforesaid note has been attached by the Directorate of Enforcement ("ED"), which is being contested by the Holding Company. The Holding Company had filed an appeal with the Appellate Tribunal, PMLA (Government of India), New Delhi, ("Appellate Tribunal") and vide its order dated 17 January 2020, the Appellate Tribunal had ordered to restore the possession in favor of the Holding Company while the aforesaid attachment would continue till the conclusion of the matter. The matter is being contested in the Hon'ble High Court of Delhi ('High Court'). The High Court vide its order dated 23 October 2020 has restored the physical possession of the aforesaid land parcels and building thereupon for specified purposes against a deposit of ₹ 1,113 lakh, as an interim relief until conclusion of the aforesaid matter. Based on the legal assessment of the outcome of the aforesaid matter, the management is of the view that no adjustment is required to the accompanying consolidated annual financial results.

Our opinion is not modified in respect of above matters.



# Walker Chandio & Co LLP

## **Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)**

### **Responsibilities of Management and Those Charged with Governance for the Statement**

6. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual audited financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit or loss after tax and other comprehensive income, and other financial information of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS 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. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors/ management of the companies included in the Group, covered under the Act, 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 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 financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
7. In preparing the Statement, 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/ management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors/ management of the companies included in the Group, are responsible for overseeing the financial reporting process of the companies included in the Group.

### **Auditor's Responsibilities for the Audit of the Statement**

9. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing, specified under section 143(10) of the Act, 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 this Statement.
10. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Statement, 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. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



# Walker Chandiook & Co LLP

## **Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
  - Conclude on the appropriateness of 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 ability of the Group, 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 to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents 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 Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the 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.
11. We communicate with those charged with governance of the Holding Company, 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.
  12. 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.
  13. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

### **Other Matters**

14. We did not audit the annual financial results of three subsidiaries included in the Statement, whose financial information reflects total assets of ₹ 1,333 lakh as at 31 March 2021, total revenues of ₹ 319 lakh, total net loss after tax of (₹137 lakh), total comprehensive loss of ₹ (₹137 lakh), and cash outflows (net) of ₹ 29 lakh for the year ended on that date, as considered in the Statement. These annual financial results have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit reports of such other auditors, and the procedures performed by us as stated in paragraph 10 above.

Further, of these subsidiaries, two subsidiaries, are located outside India, whose annual financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries, and which have been audited by other auditor under standard of auditing applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the balances and affairs of these subsidiaries, is based on the audit report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion is not modified in respect of this with respect to our reliance on the work done by and the reports of the other auditors.



# Walker Chandiok & Co LLP

**Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)**

15. The Statement includes the consolidated annual financial results for the quarter ended 31 March 2021, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the third quarter of the current financial year, which were subject to limited review by us.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

*Rohit Arora*

**Rohit Arora**

Partner

Membership No. 504774

**UDIN:** 21504774AAAAEP2020

**Place:** New Delhi

**Date:** 29 June 2021

# KRBL LIMITED

Regd. Office: 5190, Lahori Gate, Delhi-110006, CIN: L01111DL1993PLC052845, Email: investor@krblindia.com, website: www.krblrice.com,  
Tel.: +91-11-23968328, Fax: +91-11-23968327

## STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

(Rs. in lakh except as stated otherwise)

S. No.	Particulars	Quarter ended			Year ended	
		31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020
		Refer note 12	(Unaudited)	Refer note 12	(Audited)	
<b>1.</b>	<b>Income</b>					
(a)	Revenue from operations	97,397	1,12,069	1,06,250	3,99,188	4,49,902
(b)	Other income	292	778	941	2,268	2,251
	<b>Total income</b>	<b>97,689</b>	<b>1,12,847</b>	<b>1,07,191</b>	<b>4,01,456</b>	<b>4,52,153</b>
<b>2.</b>	<b>Expenses</b>					
(a)	Cost of materials consumed	92,496	86,375	74,835	3,14,515	3,03,592
(b)	Purchase of stock-in-trade	4	437	174	681	1,212
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(26,849)	(6,863)	(1,699)	(39,300)	17,395
(d)	Employee benefits expenses	2,534	2,369	2,278	9,221	8,562
(e)	Finance costs	751	455	1,848	2,359	6,244
(f)	Depreciation and amortisation expense	1,810	1,806	1,803	7,195	7,288
(g)	Other expenses	8,301	8,828	7,851	31,849	32,105
	<b>Total expenses</b>	<b>79,047</b>	<b>93,407</b>	<b>87,090</b>	<b>3,26,520</b>	<b>3,76,398</b>
<b>3.</b>	<b>Profit before tax (1-2)</b>	<b>18,642</b>	<b>19,440</b>	<b>20,101</b>	<b>74,936</b>	<b>75,755</b>
<b>4.</b>	<b>Tax expense</b>					
(a)	Current tax	5,087	5,108	5,438	19,824	20,021
(b)	Deferred tax charge	(253)	(197)	(305)	(779)	(85)
	<b>Total tax expense</b>	<b>4,834</b>	<b>4,911</b>	<b>5,133</b>	<b>19,045</b>	<b>19,936</b>
<b>5.</b>	<b>Profit after tax (3-4)</b>	<b>13,808</b>	<b>14,529</b>	<b>14,968</b>	<b>55,891</b>	<b>55,819</b>
<b>6.</b>	<b>Other comprehensive income</b>					
(a)	Items that will not be reclassified to profit or loss	107	(57)	(229)	(66)	(224)
(b)	Income tax relating to items that will not be reclassified to profit or loss *	(27)	15	60	18	59
(c)	Items that will be reclassified to profit or loss	26	(160)	(767)	888	(744)
(d)	Income tax relating to items that will be reclassified to profit or loss	(10)	39	223	(244)	224
	<b>Total other comprehensive (loss)/income</b>	<b>96</b>	<b>(163)</b>	<b>(713)</b>	<b>596</b>	<b>(685)</b>
<b>7.</b>	<b>Total comprehensive income (5+6)</b>	<b>13,904</b>	<b>14,366</b>	<b>14,255</b>	<b>56,487</b>	<b>55,134</b>
(a)	<b>Net profit attributed to:</b>					
	Owner of the Holding Company	13,808	14,529	14,968	55,891	55,818
	Non controlling interest *	0	0	0	0	1
(b)	<b>Other comprehensive income attributed to:</b>					
	Owner of the Holding Company	96	(163)	(713)	596	(685)
	Non controlling interest *	0	0	0	0	0
<b>8.</b>	<b>Paid-up equity share capital (face value of Re.1/- each)</b>	<b>2,354</b>	<b>2,354</b>	<b>2,354</b>	<b>2,354</b>	<b>2,354</b>
<b>9.</b>	<b>Other equity</b>				<b>3,66,897</b>	<b>3,10,410</b>
<b>10.</b>	<b>Earnings per equity share ("EPS") (face value of Re.1/- each) (EPS for the quarter not annualized)</b>					
(a)	Basic	5.87	6.17	6.36	23.74	23.71
(b)	Diluted	5.87	6.17	6.36	23.74	23.71

\* Rounded off to zero





# KRBL LIMITED

Regd. Office: 5190, Lahori Gate, Delhi-110006, CIN: L01111DL1993PLC052845, Email: investor@krblindia.com,  
website: www.krblice.com, Tel.: +91-11-23968328, Fax: +91-11-23968327

## NOTES TO THE STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

### 1. Operating Segments Disclosure as per Ind AS 108 'Operating Segments':

(Rs. in lakh except as stated otherwise)

S. No.	Particulars	Quarter ended			Year ended	
		31-03-2021	31-12-2020	31-03-2020	31-03-2021	31-03-2020
		Refer note 12	(Unaudited)	Refer note 12	(Audited)	
<b>1.</b>	<b>Segment revenue</b>					
(a)	Agri	95,614	1,10,180	1,03,978	3,89,892	4,37,893
(b)	Energy	4,182	4,087	4,230	17,986	20,151
	<b>Total segment revenue</b>	<b>99,796</b>	<b>1,14,267</b>	<b>1,08,208</b>	<b>4,07,878</b>	<b>4,58,044</b>
	Inter segment revenue - Energy	(2,399)	(2,198)	(1,958)	(8,690)	(8,142)
	<b>Net segment revenue</b>	<b>97,397</b>	<b>1,12,069</b>	<b>1,06,250</b>	<b>3,99,188</b>	<b>4,49,902</b>
<b>2.</b>	<b>Segment results</b>					
(a)	Agri	18,849	16,951	21,000	72,195	74,325
(b)	Energy	664	3,049	1,004	5,513	7,854
	<b>Total segment results (before finance costs and tax)</b>	<b>19,513</b>	<b>20,000</b>	<b>22,004</b>	<b>77,708</b>	<b>82,179</b>
	Less: Finance costs	713	411	1,778	2,167	5,911
	Less: Other unallocable expenditures (net of unallocable incomes)	158	149	125	605	513
	<b>Total profit before tax</b>	<b>18,642</b>	<b>19,440</b>	<b>20,101</b>	<b>74,936</b>	<b>75,755</b>
<b>3.</b>	<b>Segment assets</b>					
(a)	Agri	4,00,562	4,14,093	3,76,357	4,00,562	3,76,357
(b)	Energy	62,221	63,253	65,934	62,221	65,934
	<b>Total segment assets</b>	<b>4,62,783</b>	<b>4,77,346</b>	<b>4,42,291</b>	<b>4,62,783</b>	<b>4,42,291</b>
<b>4.</b>	<b>Segment liabilities</b>					
(a)	Agri	47,133	54,501	63,446	47,133	63,446
(b)	Energy	2,303	2,729	3,775	2,303	3,775
(c)	Unallocable	44,008	64,680	62,217	44,008	62,217
	<b>Total segment liabilities</b>	<b>93,444</b>	<b>1,21,910</b>	<b>1,29,438</b>	<b>93,444</b>	<b>1,29,438</b>
	<b>Segment revenue - Geographical information:</b>					
(a)	<b>Agri</b>					
	India	60,836	59,869	54,668	2,00,225	2,29,396
	Rest of the world	34,778	50,311	49,310	1,89,667	2,08,497
	<b>Sub-total (a)</b>	<b>95,614</b>	<b>1,10,180</b>	<b>1,03,978</b>	<b>3,89,892</b>	<b>4,37,893</b>
(b)	<b>Energy</b>					
	India	4,182	4,075	4,230	17,974	20,151
	Rest of the world	-	12	-	12	-
	<b>Sub-total (b)</b>	<b>4,182</b>	<b>4,087</b>	<b>4,230</b>	<b>17,986</b>	<b>20,151</b>
	<b>Total (a)+(b)</b>	<b>99,796</b>	<b>1,14,267</b>	<b>1,08,208</b>	<b>4,07,878</b>	<b>4,58,044</b>
	Inter-segment revenue - Energy	(2,399)	(2,198)	(1,958)	(8,690)	(8,142)
	<b>Total</b>	<b>97,397</b>	<b>1,12,069</b>	<b>1,06,250</b>	<b>3,99,188</b>	<b>4,49,902</b>



# KRBL LIMITED

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## NOTES TO THE STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

### 2 Consolidated Statement of Assets and Liabilities

(Rs. in lakh except as stated otherwise)

Particulars		31-03-2021	31-03-2020
A.	ASSETS	(Audited)	(Audited)
1.	<b>Non-current assets</b>		
	(a) Property, plant and equipment	87,169	88,740
	(b) Capital work-in-progress	891	1,214
	(c) Right of use assets	6,469	8,138
	(d) Investment property	877	908
	(e) Goodwill	16	16
	(f) Other intangible assets	143	143
	(g) Intangible assets under development	16	-
	(h) Financial assets		
	(i) Loans	1,051	929
	(ii) Other financial assets	32	14
	(i) Other non-current assets	25,562	24,973
	<b>Sub total non-current assets</b>	<b>1,22,226</b>	<b>1,25,075</b>
2.	<b>Current assets</b>		
	(a) Inventories	2,96,421	2,85,242
	(b) Financial assets		
	(i) Investments	1,889	584
	(ii) Trade receivables	20,129	23,020
	(iii) Cash and cash equivalents	15,942	1,443
	(iv) Bank balances other than (iii) above	244	3,812
	(v) Loans	1,140	22
	(vi) Other financial assets	1,793	1,157
	(c) Other current assets	2,999	1,936
	<b>Sub total current assets</b>	<b>3,40,557</b>	<b>3,17,216</b>
	<b>TOTAL ASSETS</b>	<b>4,62,783</b>	<b>4,42,291</b>
B.	<b>EQUITY AND LIABILITIES</b>		
1.	<b>Equity</b>		
	(a) Equity share capital	2,354	2,354
	(b) Other equity	3,66,897	3,10,410
	<b>Equity attributable to the owners of the Holding Company</b>	<b>3,69,251</b>	<b>3,12,764</b>
	Non-controlling interest	88	89
	<b>Sub total shareholder's fund</b>	<b>3,69,339</b>	<b>3,12,853</b>
	<b>Liabilities</b>		
2.	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	597	1,957
	(ii) Lease liabilities	5,324	6,965
	(b) Provisions	874	733
	(c) Deferred tax liabilities (net)	13,809	14,588
	<b>Sub total non-current liabilities</b>	<b>20,604</b>	<b>24,243</b>
3.	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	28,839	46,270
	(ii) Trade payables		
	- Total outstanding due to micro enterprises and small enterprises	698	439
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	21,208	37,917
	(iii) Lease liabilities	828	615
	(iv) Other financial liabilities	16,856	16,081
	(b) Other current liabilities	2,688	2,066
	(c) Provisions	419	493
	(d) Current tax liabilities (net)	1,304	1,314
	<b>Sub total current liabilities</b>	<b>72,840</b>	<b>1,05,195</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,62,783</b>	<b>4,42,291</b>



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## NOTES TO THE STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

### 3. Consolidated Statement of Cash Flow

(Rs. in lakh except as stated otherwise)

Particulars		For the year ended 31-03-2021 (Audited)	For the year ended 31-03-2020 (Audited)
<b>A</b>	<b>Cash flow from operating activities</b>		
	Profit before tax	74,936	75,755
	Adjustment for :		
	Depreciation and amortisation expenses	7,195	7,288
	Loss/(profit) on sale of property, plant and equipment	14	(6)
	Unrealised foreign exchange (net)	(33)	(167)
	Net (gain)/ loss on redemption and fair valuation of investments	(1,046)	124
	Balances credit impaired	245	130
	Liabilities/provisions no longer required, written back	(67)	(45)
	Gain on modification/termination of lease	(86)	-
	Finance costs	2,359	6,244
	Interest income	(443)	(709)
	Dividend income	(41)	(38)
	<b>Operating profit before working capital changes</b>	<b>83,033</b>	<b>88,576</b>
	<b>Adjustments for working capital changes :</b>		
	Increase in financial and other assets	(2,744)	(15,147)
	(Increase)/ decrease in inventories	(11,179)	27,697
	Decrease in trade receivables	2,652	16,795
	(Decrease)/increase in trade payables	(16,384)	16,022
	Increase in liabilities and provisions	3,055	6,002
	<b>Cash generated from operations</b>	<b>58,433</b>	<b>1,39,945</b>
	Income tax paid (net)	(20,060)	(18,757)
	<b>Net cash flow from operating activities (A)</b>	<b>38,373</b>	<b>1,21,188</b>
<b>B</b>	<b>Cash flow from investing activities</b>		
	Purchase of property, plant and equipment and intangible assets <sup>1</sup>	(4,142)	(4,266)
	Sale of property, plant and equipment	49	1,229
	Sale proceeds from investments	87,896	90,058
	Purchase of investments	(88,155)	(90,000)
	Movement from deposits (net)	2,774	(2,938)
	Interest received	370	526
	Dividend income	41	38
	<b>Net cash used in investing activities (B)</b>	<b>(1,167)</b>	<b>(5,353)</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Repayment of long term borrowings	(1,360)	(1,367)
	Repayment of lease liabilities	(738)	(564)
	Movement in short term borrowings (net)	(16,585)	(92,732)
	Finance cost paid	(3,248)	(5,895)
	Dividend paid	(776)	(11,695)
	Dividend distribution tax paid	-	(2,564)
	<b>Net cash used in financing activities (C)</b>	<b>(22,707)</b>	<b>(1,14,817)</b>
<b>D</b>	<b>Net increase in cash and cash equivalents during the year (A+B+C)</b>	<b>14,499</b>	<b>1,018</b>
	Cash and cash equivalents-opening balance	1,443	425
	<b>Cash and cash equivalents at the year end</b>	<b>15,942</b>	<b>1,443</b>
<b>E</b>	<b>Cash and cash equivalents</b>		
	Cash in hand	43	72
	Balances with banks	15,899	1,371
		<b>15,942</b>	<b>1,443</b>

#### Notes

1. Net of movement in capital work-in-progress and capital advances.
2. The above cash flow statement has been prepared under the 'indirect method' as set out in Ind AS 7, 'Statement of cash flows'.





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### NOTES TO THE STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

- 4 The above consolidated financial results of KRBL Limited ("the Company") have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 29 June 2021 and have been audited by the statutory auditors of the Company.
- 5 The financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, specified in Section 133 of the Companies Act, 2013.
- 6 During the year ended 31 March 2019, the Company had received demand notices under section 153A/143(3) of the Income-tax Act, 1961, with respect to assessment years 2010-11 to 2016-17, amounting to Rs. 75,744 lacs and interest thereon Rs. 51,176 lacs, which were contested by the management at CIT (Appeals), New Delhi. During the year ended 31 March 2020, CIT (Appeals) had granted partial relief on certain matters in favor of the Company, vide order dated 11 March 2020, and correspondingly, income tax demand had been reduced by Rs. 69,612 lacs and interest thereon by Rs. 47,424 lacs.  
The Company had filed further appeals before Hon'ble Income-tax Appellate Tribunal (ITAT), New Delhi on 18 June 2020 for remaining matters sustained by CIT (Appeals) in respect of income tax demand of Rs. 6,132 lacs and interest thereupon of Rs. 3,752 lacs. The Company had already paid Rs. 21,900 lacs, under protest.  
The Income-tax department has also filed appeals in Hon'ble Income Tax Appellate Tribunal, New Delhi in respect of the matters allowed by CIT (Appeals) for appeals filed by the Company. However, a copy of appeal had not been received by the company, in respect of said filing by the department.  
The management, based on legal assessment, is confident that it has a favorable case and the remaining demand shall also be deleted at the ITAT level.  
Further, the Company has received penalty orders under section 271(1) (c)/ 271AAB (1) for AY 2010-11 to 2016-17 on the matters sustained by CIT (Appeals) of amounting to Rs.11, 896 lacs. The company had filed appeals before CIT (Appeals) in respect of such penalty orders on 24th March, 2021.  
However, Hon'ble Income Tax Appellate Tribunal vide its order dated 12th March, 2021 has granted interim relief till 12 May 2021, which has been extended till 16 July 2021, to the Company against recovery of such demand.  
The auditors of the Company have invited attention to the aforementioned issue in their audit report for the quarter and year ended 31 March 2021.
- 7 A portion of land parcels and building thereupon, situated at Dhuri, Punjab was attached by the Enforcement Directorate ("ED") vide its order dated 3 July 2019, to the extent of value of Rs. 1,532 lacs in connection with a money laundering investigation.  
The Holding Company filed an appeal against the aforementioned order with Appellate Tribunal, PMLA, New Delhi, ("Appellate Tribunal") who vide its order dated 17 January 2020, had restored the possession of the attached land on interim basis in favour of the Holding Company. However, aforesaid attachment would continue till the conclusion of the matter.  
Against the order of the Appellate Tribunal, ED had filed an appeal before the Hon'ble High Court of Delhi, which is pending for hearing.  
The Holding Company filed an application before the Hon'ble High Court of Delhi for restoration of possession of the land in favour of the Holding Company in accordance with the order dated 17 January 2020 passed by the Appellate Tribunal. The High Court vide its order dated 23 October 2020 has allowed the Holding Company to take physical possession of the said land parcels and building thereupon for specified purpose against the deposit of Rs. 1,113 lacs, (deposited on 5 November 2020), as an interim relief until conclusion of the aforesaid matter, without prejudice to the rights and contentions of the parties to be decided in the appeal. The management based upon the legal assessments, is confident that it has a favourable case and the said attachment shall be vacated.  
The auditors of the Company have invited attention to the aforementioned issue in their audit report for the quarter and year ended 31 March 2021.
- 8 The Company's Joint Managing Director, Mr. Anoop Kumar Gupta had been detained and released on bail by the Enforcement Directorate ('ED') with regard to the investigation under the Prevention of Money Laundering Act, 2002, for alleged involvement in AgustaWestland case, pursuant to the order of Special Judge, Rouse Avenue Courts dated 30 January 2021 and dated 05 April 2021, respectively. ED vide their criminal complaint dated 30 March 2021, has made certain allegations against the Company, KRBL DMCC (a subsidiary of KRBL Limited) and Mr. Anoop Kumar Gupta. As per criminal complaint filed it is alleged that M/s Rawasi Al Khaleej General Trading LLC ('RAKGT') has received proceeds of crime of USD 24.62 million in AgustaWestland case during the period 2008-2010 which in turn has been transferred to KRBL Limited through KRBL DMCC. Basis the affidavit filed by Balsharaf Group (one of the Customer of the Company) in the Hon'ble High Court of Delhi in the said matter, the amount of USD 24.62 million has been received by Balsharaf Group from RAKGT. Pursuant to this, ED had attached 1,43,33,221 shares of Balsharaf Group held in KRBL Limited. The management of the Company has taken an opinion from an independent legal counsel and on the basis of the same is of the view that since the investigation is still ongoing no adverse opinion can be drawn. The Board of Directors of the Company have appointed an independent professional firm to review the aforesaid allegations, by undertaking steps as necessary, in order to assess impact of aforesaid matter, if any, on the consolidated financial statements and control environment of the Company. Pending the ongoing investigation on the above matter, no adjustment has been made in the consolidated financial statements of the Company. The management of the Company is confident that the above stated matter will be resolved soon.  
The auditors of the Company have qualified to the aforementioned issue in their audit report for the quarter and period ended 31 March 2021.
- 9 The Indian Parliament has approved the Code on Social Security, 2020 which is expected to impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.
- 10 The outbreak of Coronavirus (Covid-19) has severely impacted business globally including India. Since the nature of business performed by the Company falls under the essential category, the Company continued to operate its manufacturing facilities and distribute its products in accordance with the prescribed guidelines. Though there have been some operational difficulties due to lock down imposed in various regions, the impact on overall operations have not been significant. Further, the management of the Company has also assessed the impact of the situation on the capital, profitability, liquidity positions etc. giving due consideration to the internal and external factors, and based on its assessment, the pandemic doesn't have any material impact on the standalone financial statements of the Company. Further, on account of continued spread of COVID-19 in the country, the Company has made timely and requisite changes in business model during the year. The Company is continuously monitoring the situation arising on account of COVID-19 and will make appropriate action required, if any.
- 11 The Board of Directors of the Company in their meeting held on 29 June 2021 have recommended a final dividend of Rs. 3.50 (350%) per paid up equity share of Re.1/- each, aggregating to Rs. 8239 Lacs for the financial year ended 31 March 2021, subject to approval of shareholders in the ensuing Annual General Meeting of the Company.
- 12 Amounts for the quarters ended 31 March 2021 and 31 March 2020 are the balancing amounts between audited amounts for the full financial year and the published year to date amounts upto third quarter of the respective financial year, which were subjected to limited review.
- 13 The figures for the corresponding previous periods/year have been regrouped/reclassified, wherever necessary, to make them comparable.

For and on behalf of Board of Directors of  
KRBL Limited

  
Anil Kumar Mittal  
Chairman & Managing Director  
DIN: 00030100



Place: Noida  
Date: 29 June 2021



**Statement on Impact of Audit Qualifications submitted along with Annual Consolidated Audited Financial results of KRBL Limited**

**Statement on Impact of Audit Qualifications for the financial year ended 31 March 2021**  
[See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Rs. In Lakh)			
S.No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
I.	1. Turnover / Total income	401,456	Not ascertainable
	2. Total Expenditure	326,520	
	3. Net Profit/(Loss)	55,891	
	4. Earnings Per Share	23.74	
	5. Total Assets	462,783	
	6. Total Liabilities	93,444	
	7. Net Worth	369,251	
	8. Any other financial item(s) (as felt appropriate by the management)	None	

II.	<b>Audit Qualification (each audit qualification separately):</b>
	<b>a. Details of Audit Qualification:</b> In respect of KRBL Limited ('the Company')  As stated in Note 8 of the consolidated financial results, the Company's Joint Managing Director Mr. Anoop Kumar Gupta had been detained and released on bail by the Enforcement Directorate ('ED') with regard to an ongoing investigation under the Prevention of Money Laundering Act, 2002, for alleged involvement in AgustaWestland case, pursuant to the order of Special Judge, Rouse Avenue Courts dated 30 January 2021 and dated 5 April 2021, respectively. ED vide their criminal complaint dated 30 March 2021 has made certain allegations against the Company, KRBL DMCC (a subsidiary of the Company) and Mr. Anoop Kumar Gupta. The Board of Directors of the Company have appointed an independent professional firm to review the aforesaid allegations, by undertaking steps as necessary, in order to assess impact of aforesaid matter, if any, on the consolidated financial results and control environment of the Company. Pending the ongoing investigation on the above matter, we are unable to comment on any adjustment that may be required to the accompanying consolidated financial results of the Company.
	<b>b. Type of Audit Qualification:</b>  Qualified Opinion
	<b>c. Frequency of qualification:</b>  Appearing for the First time
	<b>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b>  Not applicable, as the impact is not quantified.

*Ar. K. K. P.*

*Ar. K. K. P.*

*Ar. K. K. P.*

	<p><b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p><b>(iv) Management's estimation on the impact of audit qualification:</b></p> <p>Unable to estimate</p> <p><b>(v) If management is unable to estimate the impact, reasons for the same:</b></p> <p>The management of the Company has taken an opinion from an independent legal counsel and on the basis of the same is of the view that since the aforesaid investigation is still ongoing, no adverse opinion can be drawn. The Board of Directors of the Company have appointed an independent professional firm to review the aforesaid allegations, by undertaking steps as necessary, in order to assess impact of aforesaid matter, if any, on the consolidated financial results and control environment of the Company.</p> <p><b>(vi) Auditors' Comments on (i) or (ii) above:</b></p> <p>Since the matter is still under the investigation stage, we are unable to determine whether any adjustment is required along with the consequential impact, if any, on the accompanying Consolidated Financial Results of the Company.</p>
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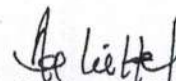
**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

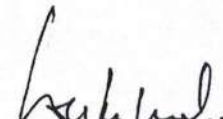
**For and on behalf of the Board of Directors**



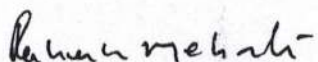
**Rohit Arora**  
Partner  
Membership No. 504774

**Place : New Delhi**  
**Date : 29 June 2021**

  
**Anil Kumar Mittal**  
Chairman and Managing Director  
DIN-00030100

  
**Devendra Kumar Agarwal**  
Chairman-Audit Committee  
DIN-06754542

**Place : Noida**  
**Date : 29 June 2021**

  
**Rakesh Mehrotra**  
Chief Financial Officer  
M.No. 84366  
