



## Veejay Lakshmi Engineering Works Limited

VJLEW/45-AGM/FR

July 31, 2020

BSE Limited,  
Floor 25, Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001

**Security CODE: 522267**

Dear Sir / Madam,

Sub: Intimation under SEBI (Listing Obligations and Disclosure Requirements) Regulations,  
2015- Reg. 33 **Security CODE: 522267**

A. Audited Financial Results for the quarter and year ended 31st March 2020.

We are enclosing herewith the audited financial results of the Company for the quarter and year ended 31st March 2020 along with cash flow statement.

The financial results were duly approved by the Board of Directors of the Company, at their meeting held on July 30, 2020. Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have enclosed herewith copies of the Audit Reports for the quarter and year ended 31st March 2020, separately for Standalone and Consolidated Financial results, given by our Statutory Auditors M/s. Manohar Chowdhry & Associates, Chartered Accountants with the declaration for unmodified opinion of the statutory auditors included.

B. Annual General Meeting and Book Closure

We hereby inform that the Board of Directors at their meeting held on 30 July 2020, inter alia, approved the following.

1. To convene the 45th Annual General Meeting of the Company on Monday, the 28th September 2020.
2. To close the Register of Members & Share Transfer Books of the Company from the 22nd September 2020 to the 28th September 2020 (both days inclusive).

The summary of the Financial Results is published on news papers under Reg.47 of SEBI (LODR) Regulations, 2015. The detailed results will be available on Company's website.

The Board Meeting commenced at 11.00 AM and concluded at 12.30 PM.

Kindly take the same on record..

Thanking you,

Yours truly,

For VEEJAY LAKSHMI ENGINEERING WORKS LIMITED

Company Secretary / Compliance Officer

VEEJAY LAKSHMI ENGINEERING WORKS LIMITED						
Regd. Office: Sengalipalayam, NGGO Colony P.O., Coimbatore 641022						
CIN NO.L29191TZ1974PLC000705						
STATEMENT OF AUDITED RESULTS FOR THE QUARTER/YEAR ENDED 31/03/2020						
SL.NO	PARTICULARS	Rs. In lakhs				
		STAND ALONE				
		Quarter ended			Year ended	
		31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
		Audited	Unaudited	Audited	Audited	Audited
	Income					
I	a. Revenue from operations	1529.35	1225.72	1793.95	6877.42	7953.20
II	b. Other Income	-7.30	98.75	89.27	174.43	202.78
III	Total Revenue) (a+b)	1522.05	1324.47	1883.22	7051.85	8155.98
IV	Expenses					
	a. Cost of Materials Consumed	1392.77	715.09	1044.18	4927.69	4658.37
	b. Changes in inventories of goods, work-in-progress and stock in trade	221.38	204.41	74.53	430.03	338.60
	c. Employee benefits expenses	260.22	243.11	274.81	1095.86	1185.67
	d. Finance Cost	23.40	20.36	13.73	102.81	118.12
	e. Depreciation and amortisation expense	72.84	63.81	80.50	256.98	317.15
	f. Other expenses	306.57	245.87	364.40	1158.75	1490.63
	Total Expenses (a) to (f)	2277.18	1492.65	1852.15	7972.12	8108.54
V	Profit/(loss) before exceptional items and tax (III-IV)	-755.13	-168.18	31.07	-920.27	47.44
VI	Exceptional Items (Income+)/Expenses(-)	0.00	0.00	0.00	0.00	0.00
VII	Profit (+)/Loss (-) before tax (V-VI)	-755.13	-168.18	31.07	-920.27	47.44
VIII	Extra Ordinary Items	0.00	0.00	0.00	0.00	0.00
IX	Profit (+)/Loss (-) before tax (VII-VIII)	-755.13	-168.18	31.07	-920.27	47.44
X	Tax Expenses					
	a. Current Tax	0.00	0.00		0.00	0.00
	b. Deferred Tax	464.45	-46.68	20.72	419.66	67.67
	Total	464.45	-46.68	20.72	419.66	67.67
XI	Net Profit (+)/Loss (-)for the period from continuing operations (IX-X)	-1219.58	-121.50	10.35	-1339.93	-20.23
XII	Other comprehensive Income, net of Income-tax					
	(a) Items that will not be reclassified to Profit or Loss	-14.31	-2.53	15.97	-46.04	2.60
	Share of Other Comprehensive income in associates					
	(b) Items that will be reclassified to Profit or Loss	0.00	0.00	0.00	0.00	0.00
	Total other comprehensive income, net of Income-tax	-14.31	-2.53	15.97	-46.04	2.60
XIII	Total comprehensive Income for the period (XI+XII)	-1233.89	-124.03	26.32	-1385.97	-17.63
XIV	Paid up equity Share Capital (Face Value Rs.10/-)	507.19	507.19	507.19	507.19	507.19
	Earnings per share					
	Basic	-24.05	-2.40	0.20	-26.42	-0.40
	Diluted	-8.67	-0.86	0.07	-9.52	-0.14

For VEEJAY LAKSHMI ENGINEERING WORKS LTD.

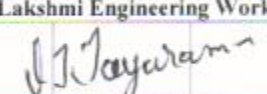
7.9  
J. Anand  
Managing Director

VEEJAY LAKSHMI ENGINEERING WORKS LIMITED		
Regd. Office: Sengalpalayam, NGGO Colony P.O., Coimbatore 641022		
CIN NO.L29191TZ1974PLC000705		
STATEMENT OF ASSETS AND LIABILITIES AS AT 31/03/2020		
		Rs. In Lakhs
		Stand alone
		As at
	31/03/2020	31/03/2019
<b>I. Non-current Assets</b>		Audited
a) Property Plant and Equipment	3784.80	3948.32
b) Capital Work in Process	358.62	0.00
c) Investment Property	99.30	110.02
d) Intangible Assets	0.00	0.00
e) Financial Assets	0.00	0.00
(i) Investments	42.40	103.45
(ii) Loans	163.08	161.78
(f) Deferred Tax Asset Net	0.00	401.92
(g) Other Non Current Asset	41.19	44.14
Sub Total	4489.39	4769.63
<b>II. Current Assets</b>		
(a) Inventories	1862.97	3102.93
(b) Financial Assets	0.00	0.00
(i) Investments	0.00	0.00
(ii) Trade Receivables	416.38	568.46
(iii) Cash and Cash equivalents	3.18	21.96
(iv) Bank balances other than iii above	19.20	14.85
(v) Loans	6.96	5.65
(vi) Other Financial Assets		
(c) Other current assets	192.18	172.57
Sub Total	2500.87	3886.42
<b>TOTAL ASSETS</b>	6990.26	8656.05
<b>L. Equity</b>		
(a) Equity Share Capital	507.19	507.19
(b) Other Equity	3781.89	5167.86
Total Equity	4289.08	5675.05
<b>II. Non Current Liabilities</b>		
a) Financial Liabilities		
(i) Borrowings	728.60	257.59
(ii) Other Financial Liabilities	61.36	59.73
Sub total	789.96	317.32
<b>(3) Current Liabilities</b>		
a) Financial Liabilities		
(i) Short term Borrowings	564.56	1267.99
(ii) a. Trade payable Micro and Small Enterprises	0.00	0.00
(ii) b. Trade Payables-Other than Micro and Small Enterprises	975.44	659.15
(iii) Other Financial Liabilities	88.19	193.49
b) Other Current Liabilities	248.47	510.66
(d) Short-term provisions	34.56	32.39
Sub total	1911.22	2663.68
<b>TOTAL LIABILITIES</b>	6990.26	8656.05
Notes:		
1. The above Audited Financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30th July, 2020.		
2. Previous year/quarter figures have been regrouped/rearranged wherever necessary.		
<p>3. The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has evaluated the impact of this pandemic on its business operations, assessed the Company's liquidity position for the next one year and evaluated the recoverability and carrying value of its assets including Property, plant and equipment and Investments as at March 31, 2020.</p> <p>Based on its review, consideration of internal and external information up to the date of approval of these financial results and current indicators of future economic conditions relevant to the Company's operations, management has concluded that fall in the prices of cotton and yarn is a major factor. Order inflow has been affected as most of the spinning mill customers for textile machinery are not working to full capacity. The Company is working only with around 50% of the normal work force and working with low capacity utilisation will have an impact on the profits. The company, however, is maintaining adequate liquidity to meet the financial commitments for atleast next one year. The Company will continue to monitor the future economic conditions and assess its impact on its financial statements.</p>		
For Veejay Lakshmi Engineering Works Limited		
		V.J. Jayaraman
		Chairman

For VEEJAY LAKSHMI ENGINEERING WORKS LIMITED

7-9

J. Anand  
Managing Director

VEEJAY LAKSHMI ENGINEERING WORKS LIMITED						
Regd. Office: Sengalipalayam, NGGO Colony P.O., Coimbatore 641022						
Email Id:compsec@veejaylakshmi.com Website: www.veejaylakshmi.com						
CIN :L29191TZ1974PLC000705						
STATEMENT OF AUDITED RESULTS FOR THE QUARTER/ YEAR ENDED 31/03/2020						
SL.NO	PARTICULARS	Rs. in lakhs STAND ALONE				
		Quarter ended			Year ended	
		31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
		Audited	Unaudited	Audited	Audited	Audited
1	Total Income from Operations	1529.35	1225.72	1793.95	6877.42	7953.20
2	Net Profit/(Loss) before tax (before exceptional and/or extra ordinary items)	-755.13	-168.18	31.07	-920.27	47.44
3	Net Profit/(Loss) before tax (after exceptional and/or extra ordinary items)	-755.13	-168.18	31.07	-920.27	47.44
4	Net Profit/(Loss) for the period after tax (after exceptional and or extra ordinary items)	-1219.58	-121.50	10.35	-1339.93	-20.23
5	Total Comprehensive income for the period [comprising Profit/(Loss) for the period (after tax) and other Comprehensive income (after tax)]	-1233.89	-124.03	26.32	-1385.97	-17.63
6	Equity Share Capital (Face value of Rs.10/- per share)	507.19	507.19	507.19	507.19	507.19
7	Reserves (excluding revaluation reserves as shown in the Audited Balance sheet of previous year)				3781.89	5167.86
8	Earnings per share (before extra ordinary items) (of Rs.10/-) each (Not annualised) Basic :	-24.05	-2.40	0.20	-26.42	-0.40
	Diluted :	-8.67	-0.86	0.07	-9.52	-0.14
9	Earnings per share (after extra ordinary items) (of Rs.10/-) each (Not annualised) Basic :	-24.05	-2.40	0.20	-26.42	-0.40
	Diluted :	-8.67	-0.86	0.07	-9.52	-0.14
Note: The above is an extract of the detailed format of results for the Quarter/Year ended 31st March,2020 filed with the Stock Exchange under Regulation 33 of SEBI( Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the financial results for the quarter/ Year ended 31st March, 2020 are available on the Company website, www.veejaylakshmi.com and on the stock exchange website, www.bseindia.com						
		For Veejay Lakshmi Engineering Works Limited				
		 (V.J.JAYARAMAN) Chairman				
Place: Coimbatore						
Date: 30.07.2020						

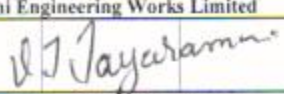
For VEEJAY LAKSHMI ENGINEERING WORKS LTD.

7-7  
  
 J. Anand  
 Managing Director

VEEJAY LAKSHMI ENGINEERING WORKS LIMITED						
Regd. Office: Sengalipalayam, NGGO Colony P.O., Coimbatore 641022						
CIN NO.L29191TZ1974PLC000705						
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SL.NO	PARTICULARS	Rs. in lakhs				
		CONSOLIDATED				
		Quarter ended			Year ended	
		31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
		Audited	Unaudited	Audited	Audited	Audited
	<b>Income</b>					
I	a. Revenue from operations	1529.35	1225.72	1793.95	6877.42	7953.20
II	b. Other Income	-7.30	98.75	89.27	174.43	202.78
III	Total Revenue (a+b)	1522.05	1324.47	1883.22	7051.85	8155.98
IV	<b>Expenses</b>					
	a. Cost of Materials Consumed	1392.77	715.09	1044.18	4927.69	4658.37
	b. Changes in inventories of goods, work-in-progress and stock in trade	221.38	204.41	74.53	430.03	338.60
	c. Employee benefits expenses	260.22	243.11	274.81	1095.86	1185.67
	d. Finance Cost	23.40	20.36	13.73	102.81	118.12
	e. Depreciation and amortisation expense	72.84	63.81	80.50	256.98	317.15
	f. Other expenses	306.57	245.87	364.40	1158.75	1490.63
	Total Expenses (a) to (f)	2277.18	1492.65	1852.15	7972.12	8108.54
V	Profit/(loss) before exceptional items and tax (III-IV)	-755.13	-168.18	31.07	-920.27	47.44
VI	Exceptional Items (Income+)/Expenses(-)	0.00	0.00	0.00	0.00	0.00
VII	Profit (+)/Loss (-) before tax (V-VI)	-755.13	-168.18	31.07	-920.27	47.44
VIII	Extra Ordinary Items	0.00	0.00	0.00	0.00	0.00
IX	Profit (+)/Loss (-) before tax (VII-VIII)	-755.13	-168.18	31.07	-920.27	47.44
X	<b>Tax Expenses</b>					
	a. Current Tax	0.00	0.00	0.00	0.00	0.00
	b. Deferred Tax	464.45	-46.68	20.72	419.66	67.67
	Total	464.45	-46.68	20.72	419.66	67.67
XI	Net Profit (+)/Loss (-) for the period from continuing operations (IX-X)	-1219.58	-121.50	10.35	-1339.93	-20.23
XI (a)	Share of profit/(loss) of an associate	7.70	-2.61	2.50	-7.28	11.71
XII	<b>Other comprehensive Income, net of Income-tax</b>					
	(a) Items that will not be reclassified to Profit or Loss	-14.31	-2.53	15.97	-46.04	2.60
	Share of Other Comprehensive income in associates	-1.55	-0.64	0.52	-3.78	0.78
	(b) Items that will be reclassified to Profit or Loss	0.00	0.00	0.00	0.00	0.00
	Total other comprehensive income, net of Income-tax	-15.86	-3.17	16.49	-49.82	3.38
XIII	Total comprehensive Income for the period (XI+XII)	-1227.74	-127.28	29.34	-1397.03	-5.14
XIV	<b>Paid up equity Share Capital (Face Value Rs.10/-)</b>	507.19	507.19	507.19	507.19	507.19
	<b>Earnings per share</b>					
	Basic	-24.05	-2.40	0.20	-26.42	-0.40
	Diluted	-8.67	-0.86	0.07	-9.52	-0.14

For VEEJAY LAKSHMI ENGINEERING WORKS LTD.

7-9  
J. Anand  
Managing Director

VEEJAY LAKSHMI ENGINEERING WORKS LIMITED		
Regd. Office: Sengalipalayam, NGGO Colony P.O., Coimbatore 641022		
CIN NO.L29191TZ1974PLC000705		
STATEMENT OF ASSETS AND LIABILITIES AS AT 31/03/2020		
		Rs. In Lakhs
		Consolidated
		As at
	31/03/2020	31/03/2019
<b>I. Non-current Assets</b>		Audited
a) Property Plant and Equipment	3784.80	3948.32
b) Capital Work in Process	358.62	0.00
c) Investment Property	99.30	110.02
d) Intangible Assets	0.00	0.00
e) Financial Assets	0.00	0.00
(i) Investments	185.78	257.89
(ii) Loans	163.08	161.78
(f) Deferred Tax Asset Net	0.00	401.92
(g) Other Non Current Asset	41.19	44.14
Sub Total	4632.77	4924.07
<b>II. Current Assets</b>		
(a) Inventories	1862.97	3102.93
(b) Financial Assets		
(i) Investments	0.00	0.00
(ii) Trade Receivables	416.38	568.46
(iii) Cash and Cash equivalents	3.18	21.96
(iv) Bank balances other than iii above	19.20	14.85
(v) Loans	6.96	5.65
(vi) Other Financial Assets		
(c) Other current assets	192.18	172.57
Sub Total	2500.87	3886.42
<b>TOTAL ASSETS</b>	<b>7133.64</b>	<b>8810.49</b>
<b>I. Equity</b>		
(a) Equity Share Capital	507.19	507.19
(b) Other Equity	3925.27	5322.30
Total Equity	4432.46	5829.49
<b>II. Non Current Liabilities</b>		
a) Financial Liabilities		
(i) Borrowings	728.60	257.59
(ii) Other Financial Liabilities	61.36	59.73
Sub total	789.96	317.32
<b>(3) Current Liabilities</b>		
a) Financial Liabilities		
(i) Short term Borrowings	564.56	1267.99
(ii) a. Trade payable Micro and Small Enterprises	0.00	0.00
(ii) b. Trade Payables-Other than Micro and Small Enterprises	975.44	659.15
(iii) Other Financial Liabilities	88.19	193.49
b) Other Current Liabilities	248.47	510.66
(d) Short-term provisions	34.56	32.39
Sub total	1911.22	2663.68
<b>TOTAL LIABILITIES</b>	<b>7133.64</b>	<b>8810.49</b>
Notes:		
1. The above Audited Financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 30th July, 2020.		
2. Previous year/quarter figures have been regrouped/rearranged wherever necessary.		
3. The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has evaluated the impact of this pandemic on its business operations, assessed the Company's liquidity position for the next one year and evaluated the recoverability and carrying value of its assets including Property, plant and equipment and Investments as at March 31, 2020. Based on its review, consideration of internal and external information up to the date of approval of these financial results and current indicators of future economic conditions relevant to the Company's operations, management has concluded that fall in the prices of cotton and yarn is a major factor. Order inflow has been affected as most of the spinning mill customers for textile machinery are not working to full capacity. The Company is working only with around 50% of the normal work force and working with low capacity utilisation will have an impact on the profits. The company, however, is maintaining adequate liquidity to meet the financial commitments for atleast next one year. The Company will continue to monitor the future economic conditions and assess its impact on its financial statements.		
For Veejay Lakshmi Engineering Works Limited		
 <b>V.J. JAYARAMAN</b>		<b>J. Anand</b> Managing Director
Place: Coimbatore	Chairman	
Date: 30.07.2020		

For VEEJAY LAKSHMI ENGINEERING WORKS

7-7  
  
**J. Anand**  
 Managing Director

**VEEJAY LAKSHMI ENGINEERING WORKS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020**

**CONSOLIDATED**

PARTICULARS	Year ended Mar 31, 2020		Year ended Mar 31, 2019	
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
<b>I CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net profit before taxation and extraordinary item		(920.27)		47.44
Adjustments for:				
Depreciation	256.98		317.15	
Provision for doubtful debts	-		(0.90)	
Provision for gratuity & leave encashment	(1.10)		5.02	
Interest expenses	102.81		118.12	
Interest income on Fixed Deposits	(12.94)		(12.91)	
Dividend Income	(0.53)		(0.60)	
Profit on sale of Fixed Assets	(49.21)		(50.94)	
Profit on sale of Investments				
Operating profit before working capital changes	296.01		374.94	
Working capital changes:				
(Increase)/Decrease in Trade receivables	152.08		(309.93)	
(Increase)/Decrease in Inventories	1,239.96		380.05	
Increase/(Decrease) in Loans	(1.31)		(0.03)	
(Increase)/Decrease in other current assets	(10.20)		154.65	
(Increase)/Decrease in other financial Assets	-		-	
Increase/(Decrease) in trade payables	316.29		148.15	
(Increase)/Decrease in Non current Assets	2.95		(6.39)	
Increase/(Decrease) in other financial liabilities	(107.62)		(71.92)	
Increase/(Decrease) in other current liabilities	(262.19)		181.26	
Proceeds from short term borrowings	(703.43)		(1,429.99)	
Increase/(Decrease) in provisions	2.17		(6.21)	
Cash generated from operations	924.71		(585.42)	
Income (taxes)/refund (paid)/received	-9.41		(11.41)	
<b>Net cash provided by operating activities</b>		(4.97)		(549.39)
<b>II CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment	(466.76)		(45.71)	
Proceeds from sale of Fixed Assets	74.61		72.80	
Interest received on Fixed deposits	12.94		12.91	
Proceeds from/(Investment in fixed deposits)	(4.35)		(12.33)	
Proceeds from Investments	-		-	
Dividend Income	0.53		0.60	
Loans & advances given	(1.30)		(0.76)	
<b>Net cash used in investing activities</b>		(384.33)		27.51
<b>III CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Interest paid	(100.49)		(90.43)	
Proceeds from long term borrowings	471.01		-	
Repayment of borrowings				
<b>Net cash provided by financing activities</b>		370.52		(90.43)
<b>Net increase/(decrease) in cash and cash equivalents</b>		(18.78)		(612.31)
Cash and cash equivalents at the beginning of the year		21.96		634.27
Cash and cash equivalents at the end of the year		3.18		21.96
<b>IV Significant Accounting Policies</b>				
Notes to financial statements	(1-33)			

**Notes:**

1. Figures in brackets represent out flows of cash and cash equivalents.

For and on behalf of the Board of Directors of  
**Veejay Lakshmi Engineering Works Limited**

*V.J. Jayaraman*  
**V.J. JAYARAMAN**  
 Chairman

For VEEJAY LAKSHMI ENGINEERING WORKS LTD.

*J. Anand*  
**J. Anand**  
 Managing Director

# Manohar Chowdhry & Associates

CHARTERED ACCOUNTANTS

SFR

Independent Auditor's Report on quarterly and annual standalone financial results of VEEJAY LAKSHMI ENGINEERING WORKS LIMITED pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

TO THE BOARD OF DIRECTORS OF VEEJAY LAKSHMI ENGINEERING WORKS LIMITED

Report on the audit of the Standalone Financial Results

## Opinion

We have audited the accompanying Standalone financial results of Veejay Lakshmi Engineering Works Limited ("the Company") for the quarter and year ended 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:

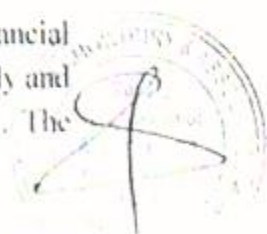
- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive loss and other financial information of the Company for the quarter and year ended March 31, 2020.

## 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 standalone financial results 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Emphasis of Matter

Without qualifying our report, we draw attention to note 3 to the standalone financial results, which describe the outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The





Company has evaluated the impact of this pandemic on its business operations, assessed the Company's liquidity position for the next one year and evaluated the recoverability and carrying value of its assets including Property, plant and equipment and Investments as at March 31, 2020.

Based on its review, consideration of internal and external information up to the date of approval of these financial results and current indicators of future economic conditions relevant to the Company's operations, management has concluded that fall in the prices of cotton and yarn is a major factor. Order inflow has been affected as most of the spinning mill customers for textile machinery are not working to full capacity. The Company is working only with around 50% of the normal work force and working with low capacity utilisation will have an impact on the profits. The company, however, is maintaining adequate liquidity to meet the financial commitments for atleast next one year. The Company will continue to monitor the future economic conditions and assess its impact on its financial statements.

Our opinion is not modified in respect of the above matter.

#### **Management's Responsibilities for the Standalone Financial Results**

These quarterly as well as year ended standalone financial results have been prepared on the basis of the standalone financial statements. The Company's Board of Directors are responsible for the preparation of these standalone financial results that give a true and fair view of the net loss and other comprehensive loss 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place 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 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; and
- 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.



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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.

The Standalone Financial Results include the results for the quarter ended 31.03.2020 being the balancing figure 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.

Place: Chennai

Date: July 30, 2020

For **Manohar Chowdhry & Associates**

Chartered Accountants

Firm's Registration No: 001997S



**M.S.N.M.Santosh**

Partner

Membership No: 221916

UDIN:20221916AAAACN4465



# Manohar Chowdhry & Associates

CHARTERED ACCOUNTANTS

**Independent Auditor's Report on quarterly and annual consolidated financial results of VEEJAY LAKSHMI ENGINEERING WORKS LIMITED pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

**TO THE BOARD OF DIRECTORS OF VEEJAY LAKSHMI ENGINEERING WORKS LIMITED**

**Report on the audit of the Consolidated Financial Results**

**Opinion**

We have audited the accompanying Consolidated financial results of Veejay Lakshmi Engineering Works Limited ("the Company") for the quarter and year ended 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 Consolidated financial results:

- i includes the results of an associate entity namely Veejay Sales and Services Limited;
- ii are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii give a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of Consolidated total comprehensive loss (comprising of net loss and other comprehensive loss) and other financial information of the Company for the quarter and year ended March 31, 2020.

**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 Consolidated 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 consolidated financial results 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

Without qualifying our report, we draw attention to note 3 to the consolidated financial results, which describe the outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The

Company has evaluated the impact of this pandemic on its business operations, assessed the Company's liquidity position for the next one year and evaluated the recoverability and carrying value of its assets including Property, plant and equipment and Investments as at March 31, 2020.

Based on its review, consideration of internal and external information up to the date of approval of these financial results and current indicators of future economic conditions relevant to the Company's operations, management has concluded that fall in the prices of cotton and yarn is a major factor. Order inflow has been affected as most of the spinning mill customers for textile machinery are not working to full capacity. The Company is working only with around 50% of the normal work force and working with low capacity utilisation will have an impact on the profits. The company, however, is maintaining adequate liquidity to meet the financial commitments for atleast next one year. The Company will continue to monitor the future economic conditions and assess its impact on its financial statements.

Our opinion is not modified in respect of the above matter.

#### **Management's Responsibilities for the Consolidated Financial Results**

These quarterly as well as year ended consolidated financial results have been prepared on the basis of the consolidated financial statements. The Company's Board of Directors are responsible for the preparation of these consolidated financial results that give a true and fair view of the net loss and other comprehensive loss 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 consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place 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 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; and
- Evaluate the overall presentation, structure and content of the consolidated 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



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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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

**Other Matters**

The consolidated financial results include the audited financial results of an associate, whose financial statements reflect Company's share of net profit / (loss) after tax of Rs. 7.70 Lakhs and Rs. (7.28) Lakhs and share of total comprehensive income/ (loss) of Rs. 6.15 Lakhs and Rs. (11.06) Lakhs for the quarter and year ended March 31, 2020, respectively, as considered in the consolidated financial results, which has been audited by their independent auditor.

The independent auditors' report on financial statements of this associate has been furnished to us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated financial results is not modified in respect of the above matter with respect to our reliance on the work done and the report of other auditor.

The Consolidated financial results include the results for the quarter ended 31.03.2020 being the balancing figure 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.

Place: Chennai

Date: July 30, 2020

For **Manohar Chowdhry & Associates**

Chartered Accountants

Firm's Registration No: 001997S



**M.S.N.M.Santosh**

Partner

Membership No: 221916

UDIN:20221916AAAACM4936

