



# Tirupati Inks Limited

AN ISO 9001:2000 & ISO 14001 : 2004 COMPANY



Regd. Office : 101, DDA Market, Hargovind Enclave, Vikas Marg Extension, Delhi-110092

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CIN: L67120DL1984PLC017904

NEW REGISTERED OFFICE ADDRESS:  
ROOM NO.1517, DEVIKA TOWERS,  
6, NEHRU PLACE, NEW DELHI-110011.

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED ON 31ST DECEMBER, 2017  
(Rs. in Lacs, except per share data)

PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED			YEAR ENDED
	31.12.2017 (Unaudited)	30.09.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2016 (Unaudited)	31.03.2017 (Audited)
1. Income from Operations							
a. Net Sales / Income from Operations	-	-	338.56	173.01	341.40	341.40	363.22
<b>Total Income from Operations (Net)</b>	-	-	<b>338.56</b>	<b>173.01</b>	<b>341.40</b>	<b>341.40</b>	<b>363.22</b>
2. Expenditures							
a. Purchase / Consumption of Materials	-	-	346.87	159.46	346.87	346.87	367.83
b. (Increase) / Decrease in Inventories of Finished Goods / Stock in Trade and Work-in-Progress	-	-	-	14.27	-	-	-
c. Employee Benefit Expenses	2.21	7.55	5.40	17.63	19.14	19.14	24.44
d. Depreciation and Amortisation Expenses	41.75	41.78	42.65	124.69	128.63	128.63	169.70
e. Other Expenditures	1.46	5.65	5.91	10.50	44.02	44.02	71.63
<b>Total</b>	<b>45.42</b>	<b>54.98</b>	<b>400.83</b>	<b>326.55</b>	<b>538.66</b>	<b>538.66</b>	<b>633.60</b>
3. Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	(45.42)	(54.98)	(62.27)	(153.54)	(197.26)	(197.26)	(270.38)
4. Other Income	0.03	13.68	0.03	13.73	2.35	2.35	0.35
5. Profit from Operations before Interest & Exceptional Items (3+4)	(45.39)	(41.30)	(62.24)	(139.81)	(194.91)	(194.91)	(270.03)
6. Finance Costs	3,383.16	49.59	194.87	3,491.55	1,349.50	1,349.50	1,427.78
7. Profit from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	(3,428.55)	(90.89)	(257.11)	(3,631.36)	(1,544.41)	(1,544.41)	(1,597.81)
8. Exceptional Items	-	-	-	-	8,945.57	8,945.57	13,122.17
9. Profit from Ordinary Activities before Tax (7-8)	(3,428.55)	(90.89)	(257.11)	(3,631.36)	(10,489.98)	(10,489.98)	(14,819.98)
10. Tax Expenses	-	-	-	-	-	-	-
11. Net Profit from Ordinary Activities after Tax (9-10)	(3,428.55)	(90.89)	(257.11)	(3,631.36)	(10,489.98)	(10,489.98)	(14,819.98)
12. Extraordinary Items (Net of Tax Expense)	-	-	-	-	-	-	-
13. Net Profit for the Period (11-12)	(3,428.55)	(90.89)	(257.11)	(3,631.36)	(10,489.98)	(10,489.98)	(14,819.98)
14. Paid-Up Equity Share Capital (Face Value of Rs. 10/- per share)	2,509.98	2,509.98	2,509.98	2,509.98	2,509.98	2,509.98	2,509.98
15. Reserves Excluding Revaluation Reserves	-	-	-	-	-	-	-
16. Earning Per Share (Before Extraordinary Items) Basic / Diluted	(13.66)	(0.36)	(1.02)	(14.47)	(41.79)	(41.79)	(59.04)
17. Earning Per Share (After Extraordinary Items) Basic / Diluted	(13.66)	(0.36)	(1.02)	(14.47)	(41.79)	(41.79)	(59.04)



**Notes:-**

1. The above Unaudited Financial Results of the Company, for the quarter and nine months ended on 31st December, 2017 have been approved by the Board of Directors at their meeting held on 14th May, 2018, after being approved and recommended by the Audit Committee of the Board. This Board Meeting has been convened in continuation of the earlier adjourned Board Meeting of the Company held on 28th February, 2018, which was adjourned because of the certain clarifications have been asked by the then RP Mr. Mukesh Mohan from the Statutory Auditors of the Company and accordingly, the outcome of the Board Meeting was duly communicated by the Company to the BSE Limited, Mumbai through its letter dated 09th March, 2018. A Corporate Insolvency Resolution Process (CIRP) has been initiated against the Company vide an order of the Hon'ble Principal Bench of the National Company Law Tribunal (NCLT) dttd. 02.11.2017 under the provisions of the Insolvency and Bankruptcy Code 2016. Pursuant to the order, the powers of the Board of Directors stand suspended and were exercisable by Mr. Mukesh Mohan who was appointed as an Interim Resolution Professional (IRP) by the Hon'ble National Company Law Tribunal and was consequently confirmed as Resolution Professional (RP) by the Committee of Creditors (CoC). Later on, Mr. Mukesh Mohan (RP) has submitted his resignation to the Hon'ble Principal Bench of NCLT, New Delhi, which was accepted by the Hon'ble Principal Bench of NCLT, New Delhi and Mr. Lekhraj Bajaj has been appointed as new RP vide its order dated 16.03.2018. These unaudited financial results pertain to a period before the appointment of new RP Mr. Lekhraj Bajaj, have been prepared by the management and certified by Mr. Sanjiv Agrawal, Managing Director of the Company. The new RP has not conducted an independent verification of these financial results and is not in a position to certify the truthfulness, fairness, accuracy or completeness of these results. The limited review for the quarter and nine months ended on 31st December, 2017 as required under regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been carried out by the statutory auditors. The reviewed financial results have been taken on record by the members of the Board of Directors.
2. As per the Code, the RP has to receive, collate and admit all the claims submitted by the Creditors of the Company. Such claims can be submitted to the RP during the CIRP, till the approval of a resolution plan by the CoC. The RP is still in the process of collating and verifying such claims as and when they are received and shall subsequently admit such verified claims against the Company as per the Code. Pending admissions of the claims received, the impact of such claims, if any, that may arise has not been considered in the preparation of the financial statements.
3. Under the CIRP, a resolution plan needs to be presented to and approved by the CoC and thereafter will need to be approved by the NCLT. RP has received Expression of Interests from the Resolution Applicants, which are under verification.
4. The Company has provided for interest on secured loans from banks upto 31st December, 2017, after receiving / collecting the statements from the banks, which were earlier not provided for by the Company because of non availability of the bank statements with the Company. It includes interest amounting of Rs. 1003.71 lacs relating to prior period interest.
5. All legal actions against the Company for recovery of dues are abated in terms of the moratorium prescribed u/s 14 (1) (a), (b), (c) & (d) under the The Insolvency and Bankruptcy Code, 2016.
6. The Company is yet to receive the complete details of the CIRP expenses incurred during the CIRP process, which is still going on. Therefore, the effect of these expenses have not been considered in these financial statements.
7. The Company has changed its registered office from 101, DDA Market, Hargovind Enclave, Vikas Marg Extension, Delhi - 110092 to 1517, Devika Towers, 6 Nehru Place, New Delhi - 110019 w.e.f. 10.01.2018.
8. The Company has not provided for Interest on Unsecured Loans amounting to Rs. 13.00 Lacs (approx.) in its books of accounts during the quarter ending on 31st December, 2017.
9. Sales are net of returns / cancellations, as per adopted accounting policy.
10. The Company operates only in one Segment viz. Printing Inks & Allied Products.
11. The previous year figures have been regrouped / reclassified, wherever considered necessary.

Place : Delhi  
Date : 14.05.2018

  
By Order of the Board  
For Tirupati Inks Limited  
(A Company under Corporate Insolvency Resolution Process)  
(Sanjiv Agrawal)  
Member of the Suspended Board

**LIMITED REVIEW REPORT**

1. We have reviewed the accompanying statement of unaudited financial results of M/s Tirupati Inks Limited for the quarter and nine months period ended on 31<sup>st</sup> December, 2017. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personal and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Basis for Qualified Conclusion:-
  - a. The Company has not provided depreciation in accordance with Schedule II of the Companies Act, 2013. It has followed old procedure for calculating depreciation as per Schedule XIV of the Companies Act, 1956 resulting in incorrect determination of depreciation expense. Consequently, we are unable to quantify the impact of depreciation in the Profit & Loss Account for the quarter and nine months period ended on 31<sup>st</sup> December, 2017.
  - b. The present financial position of the Company and uncertainties in availability of the required financial resources to operate the Cash Generating Unit (CGU) at the optimum levels leaves doubts that the Value in Use of the Cash Generating Unit may be lower than the carrying amount of the CGU. The Company however has not carried out any exercise to determine the Value in Use of the CGU as per the provisions of AS 28 to ascertain any impairment loss for which provision is required. The impact therefore, presently is not ascertainable.
  - c. The Company has not prepared its result according to Indian Accounting Standards (IND AS).
  - d. The accompanying statement of unaudited financial results has been prepared by the Company assuming that it will continue as a going concern.

The Company has suffered continuous losses with accumulated losses far exceeding its Net Worth. Some of the lenders of the company have initiated recovery actions under SARFAESI Act, 2002 and under RDDBFI Act, 1993. Since May, 2016 the manufacturing facility of the company is under lock out on account of labour unrest, in view of these circumstances, there is significant doubt cast on the company's ability to continue its business as going concern & in our opinion, the assumption taken by the company is erroneous



- e. The Company has not provided for Interest on unsecured loans amounting to Rs. 13.00 Lacs (approx.) in its books of accounts during the quarter ending 31<sup>st</sup> December, 2017 and Rs. 39 Lacs (approx.) for period of 9 months ended 31<sup>st</sup> Dec. 2017. Had such provision been made, the loss would have been increased by Rs. 13.00 Lacs(approx.) for the quarter and by Rs. 39 lacs (approx.) for the period of 9 months ended 31<sup>st</sup> Dec. 2017.
- f. The Company has not provided for any liability that may arise in respect of wages/other dues to workmen after the lockout. The liability presently is not quantifiable.
- g. The Company has provided for interest on banks loans only on availability of bank statements. This includes interest of Rs. 1003.71 lacs for the prior period.

4. Qualified Conclusion: -

Based on our review conducted as above, except for the effects of the observations stated in Para 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards subject to non-compliance of Indian Accounting Standard (IND AS) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.


5. Emphasis of Matter: -

We draw attention to the following matters: -

- a) We are unable to comment upon the basis of valuation of the inventories taken by the management.
- b) The company has not fulfilled its financial commitments and has defaulted in payment of its dues because of financial crisis.
- c) The company has received notices under SARFAESI Act, 2002, under RDBFI Act, 1993 and other legal notices from some banks for recovery of their dues. One of the consortium member banks has approached NCLT, New Delhi for resolution under The Insolvency and Bankruptcy Code, 2016. The petition has been admitted by the Principal Bench of NCLT, New Delhi vide its order dated 02.11.2017 and currently the company is under Corporate Insolvency Resolution Process ( CIRP ). Shri Lekhraj Bajaj is the Resolution Professional.

Our conclusion is not qualified in respect of these matters.

For Nemani Garg Agarwal & Co  
Chartered Accountants  
(Firm Regn No: 010192N)

  
CA Uday Gupta  
Partner  
M.No: 085199



Date: 14.05.2018  
Place: New Delhi