

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER  
ENDED 30<sup>TH</sup> JUNE 2020**

*(Rs in Lacs except per share data)*


S.No	Particulars	QUARTER ENDED			YEAR ENDED
		30 June 2020	31 March 2020	30 June 2019	31 March 2020
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>I</b>	Revenue from operations	23.74	48.63	71.40	218.78
<b>II</b>	Other income	2.30	-	-	-
<b>III</b>	<b>Total Income (I+II)</b>	<b>26.04</b>	<b>48.63</b>	<b>71.40</b>	<b>218.78</b>
<b>IV</b>	<b>Expenses</b>				
(a)	Cost of raw material and components consumed/Purchase of stock in Trade	-	3.95	19.43	41.38
(b)	Changes in inventories of finished goods, work-in-progress and stock in trade	18.39	31.91	63.60	158.17
(c)	Employee Benefit Expenses	9.23	24.84	28.60	100.59
(d)	Foreign Exchange (Gain)/Loss	(29.31)	(854.23)	46.12	(1,297.57)
(e)	Depreciation and amortisation expenses	6.62	17.11	11.74	31.69
(f)	Other expenses	6.42	94.07	28.91	269.07
(g)	Finance Cost	1.17	3.67	-	3.67
	<b>Total Expenses (a to g)</b>	<b>12.52</b>	<b>(678.68)</b>	<b>198.40</b>	<b>(693.00)</b>
<b>V</b>	<b>Profit/(Loss) before Exceptional items and tax (III- IV)</b>	<b>13.52</b>	<b>727.31</b>	<b>(127.00)</b>	<b>911.78</b>
<b>VI</b>	Exceptional items	-	-	-	-
<b>VII</b>	<b>Profit/(Loss) before tax (V-VI)</b>	<b>13.52</b>	<b>727.31</b>	<b>(127.00)</b>	<b>911.78</b>
<b>VIII</b>	Tax expense (Including deferred tax & net of MAT credit)	4.17	8.04	(6.20)	(13.10)
<b>IX</b>	<b>Profit/ (loss) for the period (VII-VIII)</b>	<b>9.35</b>	<b>719.27</b>	<b>(120.80)</b>	<b>924.88</b>
<b>X</b>	Other Comprehensive Income				
(a)	Items that will not to be reclassified to profit or loss	-	-	-	-
(b)	Items to be reclassified to profit or loss in subsequent periods	-	-	-	-
<b>XI</b>	<b>Total Comprehensive Income for the period (IX+X)</b>	<b>9.35</b>	<b>719.27</b>	<b>(120.80)</b>	<b>924.88</b>
	Paid up equity share capital (Equity Shares of Rs.10 each )	10,065.45	10,065.45	10,065.45	10,065.45
<b>XII</b>	<b>Earnings per share (face value of ₹10) Before &amp; after extraordinary items</b>				
(a)	Basic & Diluted	<b>0.01</b>	<b>0.71</b>	<b>(0.12)</b>	<b>0.92</b>
(b)	Diluted	<b>0.01</b>	<b>0.71</b>	<b>(0.12)</b>	<b>0.92</b>

**Notes:**

- 1) The standalone unaudited financial results of the Company have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) Amendment Rules.
- 2) The figures for the quarter ended 31 March 2020 are a balancing figure between the audited figures of the full financial year and the unaudited year to date figure up to the third quarter of the financial year ending 31 March 2020.
- 3) The company has only one segment of revenue.
- 4) The Company's operations and financial results for the quarter have been very adversely impacted by the lockdown imposed to contain the spread of COVID-19. Further to declaration of COVID 19 as a pandemic by the World Health Organisation in March 2020 and the nationwide lockdown announced by the Government of India on 24 March 2020, the operations of the Company were severely disrupted resulting in significant loss of revenue with retail operations remaining closed for the whole of first quarter ended 30 June 2020. Even with the partial lifting of lock down the retail scenario remains grim due to negative consumer sentiments, low discretionary spends, high gold prices, most of the employees working from home among other factors. The results of the quarter are therefore not comparable with those of the previous quarter or same quarter last year. The Company has assessed the impact of pandemic on its financial results/position based on the internal and external information available up to the date of approval of these financial results and expects to recover the carrying value of its assets.
- 5) During the quarter ended 30 June 2020, the Company has renegotiated with certain landlords on the rent reduction/ waiver due to COVID 19 pandemic. The Management believes that such reduction/ waiver in rent is short term in nature and also meets the other conditions in accordance with the notification issued by the Central Government in consultation with National Financial Reporting Authority dated 24 July 2020 as Companies (Indian Accounting Standards) Amendment Rules, 2020 with effect from 1 April 2020. Thus, in accordance with the said notification, the Company has elected to apply the practical expedient available and the reduction/ waiver does not necessitate a lease modification as envisaged in the Standard. Accordingly, the Company has recognised' (1.91 lacs in the statement of profit and loss for the quarter ended 30 June 2020).
- 6) Response on basis for qualified conclusion in limited review report –
  - a. Trade Receivables are classified as Financial Instruments under Ind-AS 109 and the Company is required to provide for impairments/ obligations as per “Expected Credit Loss (ECL) Method. Since the matter is still being decided by the Honourable Court the Company is presently not in a position to quantify the impairment amount as per the said accounting standards and hence has decided to wait for the Court’s outcome before providing for any “Expected Credit Loss” under Ind-AS 109.
  - b. Management is of the view that notional foreign exchange gain or loss does not have any material impact on the Cash flows or going concern, as the same is provided as per the requirements of Ind-AS 21.
  - c. As regards reliance on cash sales, it is correct as the Company presently does not have any external borrowings primarily due to the reason that the Promoter's has been unable to actively manage the Company due to his open offer application pending with SEBI from 2014 onwards and as a consequence his entire shareholding being locked in an escrow account as per SEBI guidelines. We are given to understand that the promoter has filed a settlement application with SEBI and the same is expected to be resolved shortly. Any favourable resolution will have a positive impact on the Company both financially as well as operationally.
- 7) Figures relating to the previous periods/year have been regrouped / reclassified wherever considered necessary.
- 8) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 29, 2020. The same have also been subjected to Limited Review by the Statutory Auditors.

**Place: Kochi**  
**Date: August 29, 2020**

For and on behalf of the Board of Directors  
**ATLAS JEWELLERY INDIA LIMITED**



**Nanda Kumaran Puthiezath**  
**Whole Time Director**  
**DIN: 02547619**



# *A. Kay Mehra & Co.*

**CHARTERED ACCOUNTANTS**

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## **INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS**

To

**The Board of Directors**

**Atlas Jewellery India Limited**

DTJ-719, 7th Floor, DLF Tower B, Plot No. 11,  
Jasola District, New Delhi-110025

1. We have reviewed the accompanying statement of unaudited financial results ("The Statement") of Atlas Jewellery India Limited ("The Company") for the quarter ended June 30, 2020, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.





4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement except for the effects or possible effects of the matter described in Basis for Qualified Conclusion Point No-5(I) and No-5(II) of our report

5. **Basis for Qualified Conclusion**

**5(I) Non Provision of the expected Credit Loss/Impairment**

The Company has not recognized provision for the expected credit loss/impairment as required under Ind-AS 109 relating to overdue overseas Trade Receivables- "M/S Satwa Precious Metals & Bullion Trading (FZE)" of Rs. 1,56,90,50,293 (including unrealized foreign currency exchange gain or loss as per Ind-AS 21). There have been defaults in payment obligations by this overseas debtor on due date. The mentioned overdue trade receivables is outstanding from more than four years and the matter is pending before the Court. The recovery of this trade receivable is dependent upon outcome of the Court proceedings initiated by the Company.

In our Conclusion as a consequence of no provision and non-recovery of trade receivables, the outstanding amount of the trade receivables in the interim financial statements would have decreased by Rs. 1,56,90,50,293 and become to nil, the profit for the quarter would have decreased by Rs. 1,56,90,50,293 and become loss of Rs. 1,56,81,15,541 and retained earnings under other equity would have decreased by Rs. 1,56,81,15,541 and become negative.

**5(II) Material Uncertainty Related to Going Concern**

The Company's operating results have been materially affected due to various factors including non-realization of Trade receivables, reliance on cash sales for meeting out expenses, pending income tax demands etc. These events cause significant doubts on the ability of the company to continue as a going concern. The appropriateness of the going concern assumption is dependent on recoveries from overseas Trade Receivable and/ or the company's ability to raise adequate finance from alternative means to meet its obligations as and when they arise and as well as to establish consistent business operation. These situation indicates that material uncertainty exists that cast significant doubts on the company's ability to continue as a going concern.

In the absence of any convincing evidences regarding certainty and time frame for recovery from Trade Receivables, outcome of pending legal action initiated against debtor, impact of actions and forthcoming actions that may be taken by income tax department and material uncertainty related to Going



Concern as stated above, our opinion is qualified to that extent due to their effects or possible cumulative effect on the financial statements

6. We draw attention to:

- a) Valuation of Inventory is based on determination of estimated net realizable value and specific identification involving technical judgment of management and which has been relied upon by us.
- b) Provision of Rs. 85.34 Lakhs for the expected credit loss/impairment relating to loan and advances of Rs. 85.34 Lakhs has been recognized by the company as per the requirement of Ind-AS 109 "Financial Instruments". However period of limitation is expired for taking any legal action.
- c) Balances of Trade payables (which are more than 4 years old and period of limitation is expired for taking any legal action on the Company) and Trade Receivables -M/S Satwa Precious Metals & Bullion Trading (matter is pending before the court) are subject to confirmation and consequential adjustment thereof.
- d) Other Incomes includes Rs. 31.61 lakhs notional foreign currency exchange gain due to the unrealized exchange difference (as per Ind-AS 21) of the unsecured and doubtful overseas debtor M/s Satwa Precious Metals & Bullion Trading (FZE).

Our Conclusion is not modified in respect of above stated matters.

Place: New Delhi  
Date: 29-08-2020

**For A Kay Mehra & Co.**  
Chartered Accountants  
(F.R.N. 050004C)  
  
**Arun Kumar Mehra**  
Partner  
(Membership No. 009963)

UDIN - 20009963AAAAAU6353