



Devpura Navlakha & Co.

Chartered Accountants

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Independent Auditor's Report on Audit of Financial Results

To,
The Board of Directors ,
Sanginita Chemicals Limited,
Gandhinagar

Opinion

We have audited the accompanying Statement of Financial Results of **M/S SANGINITA CHEMICALS LIMITED** (the "Company"), for the quarter and year ended March 31, 2021 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the quarter and year then ended March 31, 2021.

Basis for Opinion

We conducted our audit of the statement in accordance with the Standards on Auditing ("SA")s 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 financial results section of our report.

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We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial results for the quarter and year ended March 31, 2021 under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the financial results

This Statement, which includes the financial results is the responsibility of the company's board of directors, and has been approved by them for the issuance. This responsibility includes preparation and presentation of the financial results for the quarter and year ended March 31, 2021 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued there under 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 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 the 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 is free from material misstatement, whether due to fraud or error.

In preparing the financial results, 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.

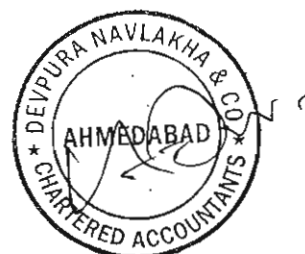
The Board of Directors is also responsible for overseeing the financial reporting process of the Company.



Auditor's Responsibilities for the Audit of the financial results

Our objectives are to obtain reasonable assurance about whether the financial results 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 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 this financial results. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the board of directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- 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 ability of the Company 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 financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the company to express an opinion on the financial results. Materiality is the magnitude of misstatements in the financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Place: Ahmedabad

Date: 13/05/2021



Devpura Navlakha & co.

Chartered Accountants

FRN-121975W


Ashwini devpura (Partner)

(Membership No. 047390)

UDIN-21047390AAAACE3364

SANGINITA CHEMICALS LIMITED

(CIN: L24100GJ2005PLC047292)

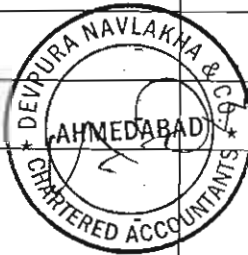
Registered Office:

301, 3rd Floor, Shalin Complex, Sector-11,
Gandhinagar -382 011 (Gujarat).

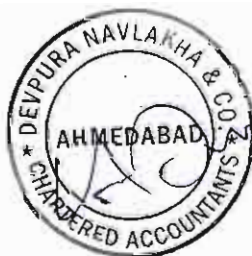
STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON 31ST MARCH, 2021

(Amount in Lakhs)

| Particulars | | Quarter ended on | | | Year ended on | Year ended on |
|-------------|---|-----------------------|-------------------------|-----------------------------|-------------------------|--------------------------|
| | | 31-03-2021 Audited | 31-12-2020 Unaudited | 31-03-2020 Audited | 31-03-2021 (Audited) | 31-03-2020 (Audited) |
| I | Revenue from Operation | 5332.22 | 3690.27 | 3725.85 | 16466.06 | 15978.08 |
| II | Other Income | 10.52 | 16.31 | 6.83 | 35.97 | 22.62 |
| III | Total Income (I + II) | 5342.74 | 3706.58 | 3732.68 | 16502.03 | 16000.70 |
| IV | Expenses | | | | | |
| | Cost of Materials consumed | 4923.04 | 3317.71 | 3396.64 | 14405.91 | 13506.92 |
| | Purchase of stock-in-trade | 408.27 | 250.61 | 1358.81 | 1342.27 | 1358.81 |
| | Changes in inventories of finished goods, Stock-in-trade and work-in progress | (166.41) | 3.16 | (1156.92) | (19.92) | (38.30) |
| | Employee benefits expense | 12.78 | 11.19 | 15.90 | 47.92 | 52.98 |
| | Finance Costs | 53.06 | 69.99 | 85.18 | 256.25 | 329.21 |
| | Depreciation and amortisation expense | 16.84 | 16.69 | 22.71 | 66.15 | 74.69 |
| | Other Expenses | 110.57 | 63.77 | 64.66 | 301.24 | 266.38 |
| | Total Expenses (IV) | 5358.15 | 3733.12 | 3786.98 | 16399.82 | 15550.69 |
| V | Profit/(loss) before exceptional items and tax (III- IV) | (15.41) | (26.54) | (54.30) | 102.21 | 450.01 |
| VI | Exceptional Items | - | - | - | - | - |
| VII | Profit / (Loss) before tax (V-VI) | (15.41) | (26.54) | (54.30) | 102.21 | 450.01 |
| VIII | Tax expense [Less/(Add)]: (1) Current Tax (2) Short/ (Excess) Provision of IT earlier year written back (3) Deferred Tax | (3.54) - (0.11) | - - - | (23.96) (0.13) (3.08) | 26.56 - (0.61) | 114.66 0.13 (1.40) |
| IX | Profit (Loss) for the period from continuing operations (VII-VIII) | (11.76) | (26.54) | (27.13) | 76.26 | 336.62 |
| X | Profit/(loss) from discontinued operations | - | - | - | - | - |
| XI | Tax expense of discontinued operations | - | - | - | - | - |
| XII | Profit/(loss) from Discontinued operations (after tax) (X-XI) | - | - | - | - | - |
| XIII | Profit/(loss) for the period (IX+XII) | (11.76) | (26.54) | (27.13) | 76.26 | 336.62 |



| | | | | | | |
|-------|--|----------------|----------------|----------------|--------------|---------------|
| XIV | Other Comprehensive Income | | | | | |
| | A (i) Items that will not be reclassified to profit or loss | - | - | - | - | - |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | - | - | - | - | - |
| | B (i) Items that will be reclassified to profit or loss | - | - | - | - | - |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | - | - | - | - | - |
| XV | Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period) | (11.76) | (26.54) | (27.13) | 76.26 | 336.62 |
| XVI | Earnings per equity share (for continuing operation): | | | | | |
| | (1) Basic & | (0.07) | (0.15) | (0.16) | 0.44 | 1.95 |
| | (2) Diluted | (0.07) | (0.15) | (0.16) | 0.44 | 1.95 |
| XVII | Earnings per equity share (for discontinued operation): | | | | | |
| | (1) Basic & | - | - | - | - | - |
| | (2) Diluted | - | - | - | - | - |
| XVIII | Earnings per equity share (for discontinued & continuing operations) | | | | | |
| | (1) Basic & | (0.07) | (0.15) | (0.16) | 0.44 | 1.95 |
| | (2) Diluted | (0.07) | (0.15) | (0.16) | 0.44 | 1.95 |
| XIX | Paid-up equity shares capital (Face Value Rs. 10/- each) | 1726.77 | 1726.77 | 1726.77 | 1726.77 | 1726.77 |
| XX | Reserves excluding Revaluation Reserves as per Balance sheet of Previous accounting year | - | - | - | 2210.50 | 2134.25 |



SANGINITA CHEMICALS LIMITED

(CIN: L24100GJ2005PLC047292)

Cash Flow Statement for the Year Ended on 31st March, 2021

(Amount in Lakhs)

| Sr. no. | Particulars | As at 31.03.2021 | As at 31.03.2020 |
|---------|---|------------------|------------------|
| 1 | Cash Flow from Operating Activities | | |
| | Net Profit before taxation and extra ordinary items | 102.21 | 450.01 |
| | Adjustment for: | | |
| | Depreciation & Amortisation cost | 66.15 | 74.69 |
| | Finance Cost | 256.25 | 329.21 |
| | Less: Non-Operating income | (14.29) | (13.61) |
| | Operating Profit before working capital changes | 308.11 | 390.29 |
| | (Increase)/Decrease in Debtors | 998.08 | (742.06) |
| | (Increase) /Decrease in inventories | (150.60) | (144.01) |
| | (Increase)/Decrease in other noncurrent assets | (1.44) | - |
| | (Increase)/Decrease in other current assets | (60.60) | 211.43 |
| | Increase/(Decrease) in Trade payables | (220.44) | (86.55) |
| | Increase/(Decrease) In other current liabilities | 6.99 | (85.38) |
| | Increase/(Decrease) In other financial liabilities | (16.33) | - |
| | Increase/(Decrease) In short term provision-other | (0.20) | (0.08) |
| | Cash Generated from operations | 555.46 | (846.65) |
| | Less: Income Taxes Paid | (114.66) | (154.49) |
| | Net Cash flow from operating activities (1) | 851.12 | (160.84) |
| 2 | Cash Flow from Investing Activities | | |
| | Purchase of Fixed Assets | (27.95) | (81.50) |
| | Rent Income | 14.29 | 13.61 |
| | Net Cash from Investing Activities (2) | (13.66) | (67.89) |
| 3 | Cash Flow from Financing Activities | | |
| | Proceeds from Current financial borrowings | (574.91) | 565.50 |
| | Repayment of non-current financial borrowings | (8.10) | (9.30) |
| | Interest Paid | (256.25) | (329.21) |
| | Net Cash used in financing activities (3) | (839.26) | 226.99 |
| | Net Increase in cash and cash equivalents (1+2+3) | (1.80) | (1.74) |
| | Cash & cash equivalents at the beginning of the period | 2.64 | 4.38 |
| | Cash & cash equivalents at the end of the period | 0.84 | 2.64 |



SANGINITA CHEMICALS LIMITED
(CIN: L24100GJ2005PLC047292)

Balance Sheet for the Year ended 31st March, 2021

(Amount in Lakhs)

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|-------------------------|-------------------------|
| ASSETS | | |
| I. Non-current assets | | |
| (a) Property, Plant and Equipment | 356.39 | 386.56 |
| (b) Capital work-in-progress | - | - |
| (c) Investment Properties | 49.56 | 52.32 |
| (d) Intangible Assets | 0.00 | 5.27 |
| (e) Financial Assets | - | - |
| (i) Investments | - | - |
| (ii) Loans | - | - |
| (iii) Other | - | - |
| (f) Other Non-Current Assets | 22.65 | 21.21 |
| Total Non-current assets | 428.60 | 465.36 |
| II. Current assets | | |
| (a) Inventories | 2188.26 | 2037.66 |
| (b) Financial Assets | | |
| (i) Trade receivables | 2919.28 | 3917.37 |
| (ii) Cash and cash equivalents | 0.84 | 2.64 |
| (c) Other current assets | 1475.22 | 1414.62 |
| Total Current Assets | 6583.60 | 7372.29 |
| TOTAL ASSETS | 7012.20 | 7837.65 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| (a) Equity Share capital | 1726.77 | 1726.77 |
| (b) Other Equity | 2210.50 | 2134.25 |
| Total Equity | 3937.27 | 3861.02 |
| Liabilities | | |
| I. Non-current liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 17.75 | 25.85 |
| (b) Deferred tax liabilities (Net) | 3.07 | 3.68 |
| Total Non-current Liabilities | 20.82 | 29.53 |
| II. Current liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 2877.36 | 3452.25 |
| (ii) Trade payables | 81.91 | 302.36 |
| (iii) Other current financial liabilities | 0.00 | 16.34 |
| (b) Other current liabilities | 68.28 | 61.29 |
| (c) Provisions | 26.56 | 114.86 |
| Total Current Liabilities | 3054.11 | 3947.10 |
| TOTAL EQUITY AND LIABILITIES | 7012.20 | 7837.65 |



Notes:

1. The above results have been reviewed by the Audit Committee and approved by Board of Directors at their meeting held on 13th May, 2021. The same have been audited by the statutory auditors who have issued an unqualified opinion thereon.
2. Figures for the quarter ended 31st March, 2021 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to the date figures up to the end of the third quarter of the relevant financial year.
3. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial results including the recoverability of carrying amount of financial and non-financial assets. In developing the assumption relating to the possible future uncertainties in the global economic condition because of this pandemic, the company has, at the date of approval of these financial results, used internal and external sources of information and economic forecast and expect that the carrying amount of these assets will be recovered. The impact of COVID-19 on the company's financial results may differ from that estimate as at the date of approval of these financial results.
4. The Company operates in Single Segment i.e. Chemicals.



FOR, SANGINITA CHEMICALS LIMITED

**DINESHSINH B. CHAVADA
CHAIRPERSON & MANAGING DIRECTOR
(DIN: 01497977)**

**PLACE: GANDHINAGAR
DATED: 13TH MAY, 2021**