

Date: 27.05.2019

To,

The Corporate Relationship Dept.,  
The Bombay Stock Exchange Ltd.,  
Ground Floor, Sir Jeejeebhoi Towers,  
Dalal Street,  
Mumbai -400 001

Sub: Audited Financial Result for the year ended 31-03-2019

Ref: Axtel Industries Ltd. (Scrip code: 523850)

Dear Sir,

We submit audited financial result for the year ended 31-03-2019 approved at the meeting of the Board of Directors of the Company held on 27<sup>th</sup> May, 2019, along with report of auditor in PDF and declaration as per regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)(Amendment) Regulation, 2016 as required by you.

Thanking you

Yours Sincerely

For AXTEL INDUSTRIES LIMITED

  
Ajay Naishad Desai  
Executive Director  
DIN:00452821



**AXTEL INDUSTRIES LIMITED**

Regd. Office: Plot No.43/1, P.O. Baska, Tal. HALOL - 389 350, Dist Panchmahals, GUJARAT

Tel # (02676)247140,247141,247175,247177 Fax # +91(2676)247125 E-mail : info@axtelindia.com Website:-www.axtelindia.com CIN :L91110GJ1991PLC016185

**AUDITED FINANCIAL RESULTS FOR YEAR ENDED 31.03.2019**

[Rs In Lacs]

| Sr.No. | Particulars  | Quarter<br>Ended<br>31-03-19<br>[Audited ] | Quarter<br>Ended<br>31-03-18<br>[Audited ] | Quarter<br>Ended<br>31-12-18<br>[Unaudited ] | Current Year<br>Ended<br>31-03-19<br>[Audited ] | Previous Year<br>Ended<br>31-03-18<br>[ Audited ] |
|--------|--|--|--|--|---|---|
|        | <b>Income From Operation</b>   |  |  |  |   |   |
| I      | (a) Sales/Income from Operations Including Excise ( See Note 6)                                | 3,013.03                                   | 3,005.80                                   | 2,896.53                                     | 11,075.08                                       | 8,305.98  |
| II     | (b) Other Income   | 103.89                                     | 28.85                                      | 63.38  | 275.12  | 68.13   |
| III    | <b>Total Income I + II</b>   | <b>3,116.92</b>                            | <b>3,034.65</b>                            | <b>2,959.91</b>                              | <b>11,350.20</b>                                | <b>8,374.11</b>                                   |
| IV     | <b>Expenditure</b>   |  |  |  |   |   |
|        | a. Cost Of Material consumed   | 1,247.70                                   | 1,423.44                                   | 1,372.52                                     | 5,528.65  | 4,278.93  |
|        | b. Purchase of Stock in trade  | -  | -  | -  | -   | -   |
|        | c. Change in inventories of finished goods,WIP ,stock in trade                                 | 211.93                                     | 257.20                                     | (74.39)                                      | (92.65)   | (223.98)  |
|        | d. Employee Benefits Expenses  | 516.19                                     | 442.86                                     | 598.43                                       | 2,036.12  | 1,729.69  |
|        | e. Finance Costs   | 13.15                                      | 11.59                                      | 12.85  | 48.08   | 50.39   |
|        | f. Depreciation  | 71.35                                      | 60.90                                      | 71.91  | 279.67  | 238.71  |
|        | g. Other expense   | 419.70                                     | 398.34                                     | 422.66                                       | 1,615.03  | 1,511.69  |
|        | <b>Total Expenses (IV)</b>   | <b>2,480.02</b>                            | <b>2,594.33</b>                            | <b>2,403.98</b>                              | <b>9,414.90</b>                                 | <b>7,585.43</b>                                   |
| V      | Profit/(Loss) from ordinary activities after Finance costs but before exceptional items (I-IV) | 636.90                                     | 440.32                                     | 555.93                                       | 1,935.30  | 788.68  |
| VI     | Exceptional items( See Note 8)   | (115.78)                                   | -  | -  | (115.78)  | -   |
| VII    | Profit (+)/Loss(-) before tax (V-VI)   | 521.12                                     | 440.32                                     | 555.93                                       | 1,819.52  | 788.68  |
| VIII   | Tax expense  |  |  |  |   |   |
|        | (1) Current tax  | 154.10                                     | 199.64                                     | 164.40                                       | 538.06  | 199.64  |
|        | (2) Deferred tax   | (4.14)                                     | (4.20)                                     | (4.42)                                       | (14.46)   | (4.20)  |
| IX     | Profit(+)/Loss(-) for the period from continuing operations (VII- current tax)                 | 371.16                                     | 244.88                                     | 555.93                                       | 1,295.92  | 593.24  |
| X      | Profit(+)/Loss(-) from discontinued operations   | -  | -  | -  | -   | -   |



| Sr.No. | Particulars   | Quarter<br>Ended<br>31-03-19<br>[Audited ] | Quarter<br>Ended<br>31-03-18<br>[Audited ] | Quarter<br>Ended<br>31-12-18<br>[Unaudited ] | Current Year<br>Ended<br>31-03-19<br>[Audited ] | Previous Year<br>Ended<br>31-03-18<br>[Audited ] |
|--------|---|--|--|--|---|--|
| XI     | Tax expense of discontinued operations  | -  | -  | -  | -   | -  |
| XII    | Profit(+)/Loss(-) from discontinued operations (after tax) (X-XI)   | -  | -  | -  | -   | -  |
| XIII   | Profit(+)/Loss(-) for the period (IX+XII)   | 371.16                                     | 244.88                                     | 555.93                                       | 1,295.92  | 593.24   |
| XIV    | Other comprehensive Income  | (106.03)                                   | (1.82)                                     | (13.59)                                      | (105.52)  | (4.09)   |
| XV     | Total Comprehensive Income  | 265.13                                     | 243.06                                     | 542.34                                       | 1,190.40  | 589.15   |
| XV     | Paid up equity share capital(face value Rs.10 per share)  | 1,615.48                                   | 1,615.48                                   | 1,615.48                                     | 1,615.48  | 1,615.48   |
| XVI    | Earning per share (for continuing operation):   |  |  |  |   |  |
|        | a. Basic -Rs.   | 2.30                                       | 1.52                                       | 3.44   | 8.02  | 3.67   |
|        | b. Diluted -Rs.   | 2.30                                       | 1.52                                       | 3.44   | 8.02  | 3.67   |
| XVII   | Earning per share (for discontinued operation):   |  |  |  |   |  |
|        | a. Basic -Rs.   | -  | -  | -  | -   | -  |
|        | b. Diluted -Rs.   | -  | -  | -  | -   | -  |
| XVIII  | Earning per share (for discontinued & continuing operations)  |  |  |  |   |  |
|        | a. Basic -Rs.   | 2.30                                       | 1.52                                       | 3.44   | 8.02  | 3.67   |
|        | b. Diluted -Rs.   | 2.30                                       | 1.52                                       | 3.44   | 8.02  | 3.67   |
| 1      | The above result as reviewed by the Audit committee, has been approved at the meeting of the Board of Directors of the Company held on <b>27-05-2019</b> .  |  |  |  |   |  |
| 2      | Previous period figures have been regrouped wherever considered necessary to confirm to the current period .  |  |  |  |   |  |
| 3      | The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015(Ind AS) prescribed under section 133 of the Companies Act 2013 and other recognised accounting policies to the extent applicable. |  |  |  |   |  |





|   |  |               |          |          |            |          |
|---|--|---------------|----------|----------|------------|----------|
| 4 | The figures for the quarter ended 31-03-2018 and 31-03-2019 are balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto 31-12-2017 and 31-12-2018 subjected to limited review by the auditor of the respective financial year.   |               |          |          |            |          |
| 5 | The Borad of Directors has recommended dividend @ Rs. <u>1.50 P.(15 %)</u> per Equity share , subject to approval of the members of the company at the ensuing Annual General Meeting .  |               |          |          |            |          |
| 6 | Consequent to the introduction of Goods and Service Tax (GST) with effect from 1st July, 2017, Excise Duty has been subsumed into GST. In accordance with IND AS. GST is not part of revenue unlike Excise Duty. Further, it is stated that this excise duty figures are added to turnover of year ended 31st March, 2018 and also added to Other expenses for F Y 2017-18. Net sales inclusive excise for the year ended 31-03-18 .   |               |          |          |            |          |
|   | Particulars  | Quarter ended |          |          | Year ended |          |
|   |  | 31-03-19      | 31-03-18 | 31-12-18 | 31-03-19   | 31-03-18 |
|   | Revenue from operations  | 3,013.03      | 3,005.80 | 2,896.53 | 11,075.08  | 8,305.95 |
|   | Less : Excise Duty   | -             | -        | -        | -          | 155.75   |
|   | Net Revenue from Operations  | 3,013.03      | 3,005.80 | 2,896.53 | 11,075.08  | 8,150.23 |
| 7 | Accounting Standarad Ind AS 115 "Revenue from Contracts with Customers" is notified to be effctive from 1st April, 2018 and is applied using the cumulative catch-up transition method retrospectively to contracts that are not completed as on 1st April, 2018. Accordingly, the comparatives have not been adjusted by Company since considering the nature of business of the Company, the adoption of the standard does not have any material impact on financial results of the Company. |               |          |          |            |          |
| 8 | During the period, receivables of Rs.115.78 Lakhs have been provided for as the company doesn't have reasonable expectation of measurability, in terms of its probability of the amount and the timing or receivability.   |               |          |          |            |          |

Place : Village Narpura

Date : 27-05-2019

For AXTEL INDUSTRIES LIMITED



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Ajay Desai  
Executive Director  
DIN-00452821

**AXTEL INDUSTRIES LTD.**  
Balance Sheet as at **31.3.2019**

( Rupees in Lacs )

| Sr. No. | Particulars                                    | As at 31.03.2019 [ Audited] | As at 31.03.2018 [ Audited] |
|---------|--|-----------------------------|-----------------------------|
| 1       | <b>ASSETS</b>                                  |                             |                             |
|         | <b>Non-current assets</b>                      |                             |                             |
|         | (a) Property, Plant and Equipment              | 1,549.91                    | 1,689.77                    |
|         | (b) Capital work-in- progress                  | 20.25                       | -                           |
|         | (c) Investment Property                        | -                           | -                           |
|         | (d) Goodwill                                   | -                           | -                           |
|         | (e) Other Intangible assets                    | 34.36                       | 25.57                       |
|         | (f) Intangible assets under development        | -                           | -                           |
|         | (g) Biological Assets other than bearer plants | -                           | -                           |
|         | (h) Financial Assets                           |                             |                             |
|         | (i) Investments                                | 1,489.54                    | 1,422.19                    |
|         | (ii) Trade receivables                         | -                           | -                           |
|         | (iii) Loans & Advance                          | 412.42                      | 410.75                      |
|         | (iv) Others                                    | 1.60                        | 29.11                       |
|         | (i) Deferred Tax Assets(net)                   | 35.04                       | 20.57                       |
|         | (j) Other non-current assets                   | 73.13                       | 19.16                       |
| 2       | <b>Current assets</b>                          |                             |                             |
|         | (a) Inventories                                | 2,171.13                    | 1,784.84                    |
|         | (b) Financial Assets                           |                             |                             |
|         | (i) Investments                                | -                           | -                           |
|         | (ii) Trade receivables                         | 1,942.50                    | 2,011.59                    |
|         | (iii) Cash and cash equivalents                | 549.71                      | 439.63                      |
|         | (iv) Bank balances other than (iii) above      | -                           | -                           |
|         | (v) Loans & Advances                           | -                           | -                           |
|         | (vi) Others Financial Assets                   | 3.66                        | 22.14                       |
|         | (c) Current Tax Assets (Net)                   | 108.77                      | 118.24                      |
|         | (d) Other current assets                       | 37.34                       | 353.59                      |
|         | <b>Total Assets</b>                            | <b>8,429.36</b>             | <b>8,347.15</b>             |



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( Rupees in Lacs )

| Sr. No. | Particulars   | As at 31.03.2019 [ Audited] | As at 31.03.2018 [ Audited] |
|---------|---|-----------------------------|-----------------------------|
|         | <b>EQUITY AND LIABILITIES</b>   |                             |                             |
|         | <b>Equity</b>   |                             |                             |
|         | (a) Equity Share capital  | 1,615.48                    | 1,615.48                    |
|         | (b) Other Equity  | 3,590.68                    | 2,685.88                    |
| 1       | <b>LIABILITIES</b>  |                             |                             |
|         | <b>Non-current liabilities</b>  |                             |                             |
|         | (a) Financial Liabilities   |                             |                             |
|         | (i) Borrowings  | 92.22                       | 115.86                      |
|         | (ii) Trade payables   | -                           | -                           |
|         | (iii) Other financial liabilities (other than those specified in item (b), to be specified) | -                           | -                           |
|         | (b) Provisions  | 403.41                      | 352.00                      |
|         | (c) Deferred tax liabilities (Net)  | -                           | -                           |
|         | (d) Other non-current liabilities   | 0.09                        | -                           |
| 2       | <b>Current liabilities</b>  |                             |                             |
|         | (a) Financial Liabilities   |                             |                             |
|         | (i) Borrowings  | 23.64                       | 309.34                      |
|         | (ii) Trade payables   | -                           | -                           |
|         | (A) Dues to MSME Enterprise   | 540.47                      | 726.43                      |
|         | (B) Dues to Other Than MSME Enterprise  | 846.99                      | 1,189.70                    |
|         | (iii) Other financial liabilities (other than those specified in item C)                    | 141.78                      | 132.71                      |
|         | (c) Current Liabilities (Net)   | 1,069.91                    | 1,164.32                    |
|         | (d) Provisions  | 104.69                      | 55.43                       |
|         | <b>Total Equity and Liabilities</b>   | <b>8,429.36</b>             | <b>8,347.15</b>             |

**Notes :**

1. Previous period figures have been regrouped wherever considered necessary to conform to the current period .
2. The above result as reviewed by the Audit committee, has been approved at the meeting of the Board of Directors of the Company held on 27-05-2019

For AXTEL INDUSTRIES LIMITED



*[Signature]*  
 Ajay Desai  
 Executive Director  
 DIN-00452821

Date : 27.05.2019



AXTEL INDUSTRIES LIMITED  
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

| Particulars   | (Amount Rs )   |               | (Amount Rs )   |                |
|---|----------------|---------------|----------------|----------------|
|   | 31/03/2019     |               | 31/03/2018     |                |
| <b>Cash flows from operating activities</b>                                   |                |               |                |                |
| Profit before taxation - continuing operations                                |                | 18,19,52,330  |                | 7,88,67,906    |
| Adjustments for:  |                |               |                |                |
| Depreciation and amortization expense   | 2,79,66,845    |               | 2,38,70,600    |                |
| Loss/(gain) on sale/W-off of Property Plant and Equipments /MF                | 1,31,097       |               | -              |                |
| Loss/(Gain) on Current Fin-Assets measured at FVTPL                           | 2,35,598       |               | 3,03,932       |                |
| Gain on Non-Current Fin-Assets measured at FVTPL                              | -              |               | -              |                |
| Dividends received  | (65,22,209)    |               | (24,96,305)    |                |
| Interest received   | (12,02,133)    |               | (13,48,889)    |                |
| Finance Costs   | 48,08,322      |               | 50,38,610      |                |
| Provision for doubtful debts and advances (Net)                               | 1,15,78,458    |               |                |                |
| Bad debts Written off (Net of Provision)                                      |                |               |                |                |
| Net Exchange differences  | -              |               | -              |                |
|   |                | 3,69,95,978   |                | 2,53,67,948    |
| Operating profit before working capital changes                               |                | 21,89,48,308  |                | 10,42,35,854   |
| Changes in Working Capital :  |                |               |                |                |
| (Increase)/ decrease in trade and other receivables                           | 2,69,36,574    |               | (4,83,67,300)  |                |
| (Increase)/ decrease in inventories   | (3,86,28,744)  |               | (5,60,00,395)  |                |
| Increase/(decrease) in trade payables and other Liabilities                   | (6,19,95,902)  |               | 13,79,73,990   |                |
|   |                | (7,36,88,072) |                | 3,36,06,295    |
| Cash generated from operations  |                | 14,52,60,237  |                | 13,78,42,149   |
| Income taxes paid/refund (Net)  |                | 5,38,06,439   |                | 1,99,64,034    |
| Cash flow before extraordinary item   |                | 9,14,53,797   |                | 11,78,78,115   |
| Proceeds from extraordinary item  |                | -             |                | -              |
| Net cash from operating activities  |                | 9,14,53,797   |                | 11,78,78,115   |
| <b>Cash flows from investing activities</b>                                   |                |               |                |                |
| Purchase of property, plant and equipment (including Capital Work in Process) | (1,69,42,489)  |               | (2,77,11,267)  |                |
| Proceeds from sale of property, plant and equipment                           | 2,50,000       |               | -              |                |
| Proceeds from Sale of Non - Current Investments                               | 22,00,00,000   |               | 4,01,99,160    |                |
| Purchase of Investments   | (22,65,22,209) |               | (14,74,96,305) |                |
| Placement / Investment in Bank Deposits                                       |                |               |                |                |
| Encashment/ Redemption of Bank deposits                                       |                |               |                |                |
| Interest received   | 12,02,133      |               | 13,48,889      |                |
| Dividend received   | 65,22,209      |               | 24,96,305      |                |
| Net cash from investing activities  |                | (1,54,90,356) |                | (13,11,63,218) |
| <b>Cash flows from financing activities</b>                                   |                |               |                |                |
| Proceeds from Issuance of Equity Share capital                                | -              |               | -              |                |
| Proceeds from long term borrowings  | (23,64,136)    |               | 1,39,50,600    |                |
| Proceeds from short term borrowings   | (2,85,69,634)  |               | (2,10,33,335)  |                |
| Repayment of long term borrowings   | -              |               | -              |                |
| Repayment of finance lease obligation   |                |               |                |                |
| Interest and Finance cost paid  | (48,08,322)    |               | (50,38,610)    |                |
| Dividend paid and DDT   | (2,92,13,200)  |               | -              |                |
| Net cash from financing activities  |                | (6,49,55,292) |                | (1,21,21,345)  |
| Net increase/(decrease) in cash and cash equivalents                          |                | 1,10,08,149   |                | (2,54,06,449)  |
| Cash and cash equivalents at beginning of reporting period                    |                | 4,39,62,446   |                | 6,93,68,895    |
| Cash and cash equivalents at end of reporting period                          |                | 5,49,70,595   |                | 4,39,62,447    |

**Cash & Cash equivalents:**

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments. Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the balance sheet:

|                                       |          |             |             |
|---------------------------------------|----------|-------------|-------------|
| Cash on hand and bank balances        | 54970595 | 5,49,70,595 | 4,39,62,447 |
| Short term investments                | -        |             |             |
| Cash and cash equivalents as reported |          | 5,49,70,595 | 4,39,62,447 |
| Effect on exchange rate changes       |          |             |             |
| Cash and cash equivalents as restated |          | 5,49,70,595 | 4,39,62,447 |

Place : Village Nurpura  
Date : 27-05-2019



For AXTEL INDUSTRIES LIMITED

*Ajay Desai*  
Ajay Desai  
Executive Director  
DIN-00452821

## DECLARATION

In terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)(Amendment) Regulation, 2016, we hereby declare that M/s VCA & Associates, Chartered Accountants, Vadodara, the Statutory Auditors of the Company have given the audit report with unmodified opinion on the audited financial results of the Company for the year ended on 31.03.2019.

For AXTEL INDUSTRIES LIMITED



Ajay Naishad Desai  
Executive Director  
Date: 27.05.2019







# VCA & Associates

Chartered Accountants

CA. Ashok Thakkar    CA. S. H. Shastri    CA. Janak Shah  
CA. Rutvij Vyas    CA. Sanjay Bhatt    CA. Hitesh Shah  
CA. Hiral Joshi    CA Hemal Vaghani

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2: 09, FIRST FLOOR, GIRIKANDRA PLAZA, SARDAR NAGAR, BHAVNAGAR-364 002.  
3: 301 ENSIGN, NR. BANSAL MALL, NR. NILAMBER CIRCLE, GOTRI ROAD,  
VADODARA-390001

**AUDITOR'S REPORT on Quarterly** financial results and year to date 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  
**AXTEL INDUSTRIES LIMITED**

We have audited the financial results of **AXTEL INDUSTRIES LIMITED** for the quarter and year ended 31<sup>st</sup> March 2019 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 ( 'the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated Jly 5, 2016('the Circular'). The financial results for the quarter ended March 31, 2019 have been prepared on the basis of the financial results for the nine month period ended December 31, 2018 the audited annual financial statements as at and for the year ended March 31, 2019, and the relevant requirements of the Regulation and the Circular, which are the responsibility of the company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine months period ended on December 31, 2018 which was prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34)for Interim Financial Reporting, prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under; and other accounting principles generally accepted in India;our audit of the annual financial statement as at and for the year ended 31<sup>st</sup> March 2019; and the relevant requirement of the Regulation and the Circular.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.


In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:



- i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- ii) give a true and fair view of the net profit, comprehensive income and other financial information for the quarter and year ended 31<sup>st</sup> March 2019.

Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2019 represent the derived figures between the audited figures and respect of the financial year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under the Regulation and the Circular.

For, **VCA & Associates**  
Chartered Accountants  
FRN: 114414W

  
**CA. Ashok Thakkar**  
(Partner)  
M.No: 048169



Date : 27.05.2019  
Place : Vadodara