

# AVNISH SHARMA & ASSOCIATES

## CHARTERED ACCOUNTANTS

#49, SUSHILA VILLA, SECTOR 7, PANCHKULA, HARYANA-134109

Phone no. : (O) 0172-4666330, 4625749 (M) 9872980396

E-mail: avnishca@hotmail.com



Independent Auditor's Report on Audited Standalone Annual Financial Results of the company pursuant to Regulations 33 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (as amended)

To the board of Directors of  
MEGASTAR FOODS LIMITED

### Opinion

- 1 We have audited the accompanying statement of standalone annual financial results of M/s MEGASTAR FOODS LIMITED ("the Company") (formerly MEGASTAR FOODS PRIVATE LIMITED), for the year ended 31st March, 2021 and the standalone statement of assets and liabilities and the standalone statement of cash flows as at and for the year ended on that date ("standalone financial results") 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').
- 2 In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
  - (a) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
  - (b) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India, of the net profit and other financial information for the year ended March 31, 2021 and the standalone statement of assets and liabilities and the standalone statement of cash flows as at and for the year ended on that date.

### Basis for Opinion

- 3 We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("the ICAI"). 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 ICAI together with the ethical requirements that are relevant to our audit of the 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.

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

- 4 These standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation of standalone financial results that give a true and fair view of the loss and other financial information of the Company and the standalone statement of assets and liabilities and the standalone statement of cash flows in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 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.
- 5 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, matter-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.

- 6 Those Board of Directors are also responsible for overseeing the company's financial reporting process.

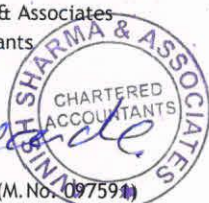




#### Auditor's Responsibilities for the Audit of the Standalone Financial Results

- 7 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.
- 8 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.
  - 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.
- 9 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.
- 10 The standalone financial results include the results for the half year ended March 31, 2021 being the balancing figures between the audited figures in respect of full financial year and the published unaudited year to date figures up to the first half year of the current financial year which were subjected to limited review by us.
- 11 The standalone financial results dealt with by this report has been prepared for the express purpose of filing with stock exchanges on which the Company's shares are listed. These results are based on and should be read with the audited standalone financial statement of the Company for the year ended March 31, 2021 on which we issued an unmodified audit opinion vide our report dated June 4, 2021.

For Avnish Sharma & Associates  
Chartered Accountants  
FRN - 009398N



Dinesh Manchanda (M.No. 097594)

Partner

UDIN: 21097591AA AA EK 8730

Place : Chandigarh

Dated : 04.06.2021

**MEGASTAR FOODS LIMITED**

Registered Office : PLOT NO. 807, INDUSTRIAL AREA, PHASE II, CHANDIGARH-160002

CIN : U15311CH2011PLC033393, Tel No: +91-01881-240401, E-mail: info@megastarfoods.com, Website: www.megastarfoods.com

**AUDITED STANDALONE FINANCIAL RESULTS FOR THE YEAR & HALF YEAR ENDED 31ST MARCH, 2021**

| Particulars                                                               | Amount in ₹ (lakhs) unless otherwise stated |                                          |                                          |                                          |                                          |
|---------------------------------------------------------------------------|---------------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
|                                                                           | For the half year ended<br>on 31.03.2021    | For the half year ended<br>on 30.09.2020 | For the half year ended<br>on 31.03.2020 | For the full year ended<br>on 31.03.2021 | For the full year ended<br>on 31.03.2020 |
|                                                                           | (Unaudited)                                 | (Unaudited)                              | (Unaudited)                              | (Audited)                                | (Audited)                                |
| <b>Income</b>                                                             |                                             |                                          |                                          |                                          |                                          |
| I Revenue from operations                                                 | 8,569.07                                    | 7,960.44                                 | 8,544.64                                 | 16,529.51                                | 16,296.64                                |
| II Other income                                                           | 106.76                                      | 3.55                                     | 1.83                                     | 110.31                                   | 8.89                                     |
| <b>III. Total Revenue</b>                                                 | <b>8,675.83</b>                             | <b>7,963.99</b>                          | <b>8,546.47</b>                          | <b>16,639.82</b>                         | <b>16,305.53</b>                         |
| <b>IV. Expenses:</b>                                                      |                                             |                                          |                                          |                                          |                                          |
| Cost of materials consumed                                                | 6,697.63                                    | 6,143.82                                 | 7,224.28                                 | 12,841.45                                | 13,496.73                                |
| Purchases of Stock-in Trade                                               | 697.70                                      | 559.58                                   | 234.93                                   | 1,257.29                                 | 535.20                                   |
| Changes in inventories                                                    | (91.27)                                     | 56.14                                    | (67.20)                                  | (35.13)                                  | (74.50)                                  |
| Employee Benefits Expense                                                 | 206.49                                      | 190.31                                   | 193.70                                   | 396.80                                   | 342.70                                   |
| Financial Cost                                                            | 119.93                                      | 127.16                                   | 166.95                                   | 247.08                                   | 325.22                                   |
| Depreciation & Amortization Expense                                       | 85.85                                       | 75.40                                    | 66.49                                    | 161.25                                   | 126.26                                   |
| Other Expenses                                                            | 649.91                                      | 525.66                                   | 549.81                                   | 1,175.57                                 | 1,080.20                                 |
| <b>Total Expenses</b>                                                     | <b>8,366.25</b>                             | <b>7,678.07</b>                          | <b>8,368.96</b>                          | <b>16,044.32</b>                         | <b>15,831.81</b>                         |
| <b>Profit before exceptional and extraordinary items and tax (III-IV)</b> | <b>309.58</b>                               | <b>285.92</b>                            | <b>177.51</b>                            | <b>595.50</b>                            | <b>473.73</b>                            |
| Extraordinary Item                                                        | 0.39                                        | 0.07                                     | (0.23)                                   | 0.46                                     | 0.14                                     |
| <b>V. Profit Before tax</b>                                               | <b>309.19</b>                               | <b>285.85</b>                            | <b>177.74</b>                            | <b>595.04</b>                            | <b>473.59</b>                            |
| <b>VI Tax Expense:</b>                                                    |                                             |                                          |                                          |                                          |                                          |
| Current Tax                                                               | 78.37                                       | 70.87                                    | 36.04                                    | 149.24                                   | 105.13                                   |
| Deferred Tax Expense/(Income)                                             | 23.50                                       | (2.80)                                   | 13.65                                    | 20.70                                    | 28.07                                    |
| MAT Reverse                                                               | -                                           | -                                        | -                                        | -                                        | -                                        |
| <b>VII Profit After Tax</b>                                               | <b>207.32</b>                               | <b>217.78</b>                            | <b>128.04</b>                            | <b>425.10</b>                            | <b>340.39</b>                            |
| <b>VIII Earnings Per Equity Share (not annualised for half year)</b>      |                                             |                                          |                                          |                                          |                                          |
| (1) Basic (in absolute Rs. terms)                                         | 2.09                                        | 2.20                                     | 1.29                                     | 4.29                                     | 3.44                                     |
| (2) Diluted (in absolute Rs. terms)                                       | 2.09                                        | 2.20                                     | 1.29                                     | 4.29                                     | 3.44                                     |

*Imdad*



For Megastar Foods Ltd.  
*[Signature]*  
Director



## MEGASTAR FOODS LIMITED

## AUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2021

|     | Particulars                                                                                | Amount in ₹(lakhs) |                  |
|-----|--------------------------------------------------------------------------------------------|--------------------|------------------|
|     |                                                                                            | As at 31.03.2021   | As at 31.03.2020 |
|     |                                                                                            | (Audited)          | (Audited)        |
| I.  | <b>EQUITY AND LIABILITIES</b>                                                              |                    |                  |
| 1   | <b>Shareholders' Funds</b>                                                                 |                    |                  |
| (a) | Share Capital                                                                              | 990.37             | 990.37           |
| (b) | Reserves And Surplus                                                                       | 1,645.71           | 1,220.61         |
| (c) | Money received against share warrants                                                      | -                  | -                |
| 2   | <b>Share application money pending allotment</b>                                           | -                  | -                |
| 3   | <b>Non-Current Liabilities</b>                                                             |                    |                  |
| (a) | Long-Term Borrowings                                                                       | 560.23             | 493.59           |
| (b) | Deferred Tax Liabilities (Net)                                                             | 146.61             | 125.90           |
| (c) | Other Long term liabilities                                                                | 2.44               | -                |
| (d) | Long term provisions                                                                       | 17.60              | 16.03            |
| 4   | <b>Current Liabilities</b>                                                                 |                    |                  |
| (a) | Short Term borrowings                                                                      | 4,294.30           | 1,556.26         |
| (b) | Trade Payables                                                                             |                    |                  |
|     | (A) Total outstanding dues of micro enterprises and small enterprises                      | 7.20               | 6.45             |
|     | (B) Total outstanding dues of creditors other than micro enterprises and small enterprises | 234.16             | 45.94            |
| (c) | Other Current Liabilities                                                                  | 675.61             | 206.63           |
| (d) | Short Term Provisions                                                                      | 18.07              | 0.77             |
|     | <b>TOTAL</b>                                                                               | <b>8,592.30</b>    | <b>4,662.55</b>  |
| II. | <b>ASSETS</b>                                                                              |                    |                  |
|     | <b>Non-Current Assets</b>                                                                  |                    |                  |
| (a) | Property, Plant & Equipment                                                                | 1,821.89           | 1,735.64         |
| (b) | Non -Current Investment                                                                    | 250.00             | 250.00           |
| (c) | Deferred Tax Assets (Net)                                                                  | -                  | -                |
| (d) | Long term loans & advances                                                                 | 65.26              | 97.61            |
| (e) | Other Non-Current Assets                                                                   | -                  | -                |
| 2   | <b>Current assets</b>                                                                      |                    |                  |
| (a) | Current Investment                                                                         | -                  | -                |
| (b) | Inventories                                                                                | 4,804.94           | 1,087.70         |
| (c) | Trade Receivables                                                                          | 1,618.33           | 1,357.42         |
| (d) | Cash And Cash Equivalents                                                                  | 8.85               | 81.29            |
| (e) | Short Term Loans And Advances                                                              | 8.26               | 39.03            |
| (f) | Other Current Assets                                                                       | 14.77              | 13.86            |
|     | <b>TOTAL</b>                                                                               | <b>8,592.30</b>    | <b>4,662.55</b>  |

*[Signature]*

ANISH SHARMA & ASSOCIATES  
CHARTERED ACCOUNTANTS

For Megastar Foods Ltd.  
*[Signature]*  
Director

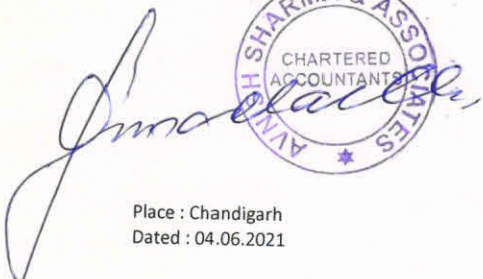
## MEGASTAR FOODS LIMITED

## AUDITED STANDALONE STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31ST MARCH, 2021

| Particulars                                             | Amount in ₹(lakhs)                 |                                    |
|---------------------------------------------------------|------------------------------------|------------------------------------|
|                                                         | For the full year ended 31.03.2021 | For the full year ended 31.03.2020 |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>           |                                    |                                    |
| Net profit before tax and extra ordinary items          | 595.04                             | 473.59                             |
| <b>Add:-</b>                                            |                                    |                                    |
| Adjustment for depreciation                             | 161.25                             | 126.26                             |
| Provision for gratuity                                  | 2.00                               | 5.50                               |
| Loss on sale of car                                     | -                                  | 0.01                               |
| Interest on Loans taken                                 | 231.35                             | 325.22                             |
| <b>Less:-</b>                                           |                                    |                                    |
| Interest Income                                         | 5.80                               | 5.01                               |
| Provision Reversed                                      | -                                  | -                                  |
| <b>Operating profit before working capital changes</b>  | 388.80                             | 451.99                             |
| <b>Current assets</b>                                   | 983.84                             | 925.58                             |
| (Increase)/decrease in debtors                          | (260.91)                           | 78.42                              |
| (Increase)/decrease in stock                            | (3,717.25)                         | 853.10                             |
| (Increase)/decrease in advances                         | 13.40                              | (7.49)                             |
| (Increase)/decrease in other current assets             | (0.90)                             | (3.82)                             |
| <b>Current liabilities</b>                              |                                    | 920.22                             |
| Increase/(decrease) in creditors                        | 191.42                             | (2.69)                             |
| Increase/(decrease) in expenses payable                 | 468.98                             | (34.01)                            |
| <b>Cash generated from operations</b>                   | 660.40                             | (36.70)                            |
| Taxes paid in cash                                      | (2,321.42)                         | 1,809.10                           |
| Interest on working capital loan                        | 115.00                             | 81.04                              |
|                                                         | 174.26                             | 235.83                             |
| <b>Net cash from operating activities</b>               | (2,610.68)                         | 1,492.22                           |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>           |                                    |                                    |
| Investment in shares                                    | -                                  | (250.00)                           |
| Investment in Advances                                  | 32.35                              | (61.79)                            |
| Fixed assets purchased                                  | (247.50)                           | (319.35)                           |
| Fixed assets Sold                                       | -                                  | 2.00                               |
| Interest received                                       | 5.80                               | 5.01                               |
| <b>Net cash from investing activities</b>               | (209.35)                           | (624.13)                           |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>           |                                    |                                    |
| Proceeds from issue of share Capital                    | -                                  | -                                  |
| Proceeds from share premium account                     | -                                  | -                                  |
| Proceeds/(Repayment) of Secured loans                   | 3,181.00                           | (502.14)                           |
| Proceeds/(Repayment) of unsecured loans                 | (376.32)                           | (212.69)                           |
| Interest/charges paid on loans                          | (57.09)                            | (89.39)                            |
| <b>Net cash from financing activities</b>               | 2,747.59                           | (804.22)                           |
| <b>Net Change In Cash and Cash equivalent (A+B+C)</b>   | (72.44)                            | 63.87                              |
| Cash and Cash equivalent at the beginning of the period | 81.29                              | 17.42                              |
| <b>Cash and Cash equivalent at period end</b>           | 8.85                               | 81.29                              |

## NOTES:

- The above audited standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meeting held on 4th June, 2021.
- The company is primarily engaged in business of manufacturing of wheat & wheat products and accordingly there is no separate reportable segment.
- Figures pertaining to previous year/periods have been regrouped/rearranged, reclassified and restated wherever necessary to make them comparable with those of current year/period.
- As the company is listed on SME Platform of BSE, it has been exempted from applicability of IND-AS as per proviso to Rule 4 of Companies (Indian Accounting Standards) Rules, 2015.
- Figures of the half year ended on 31st March, 2021 are the balancing figures between audited figures in respect of the full year ended 31st March, 2021 and unaudited year to date figures upto half year ended 30th September, 2020.

  
 Place : Chandigarh  
 Dated : 04.06.2021

For & on behalf of the Board  
 MEGASTAR FOODS LIMITED  
 For Megastar Foods Ltd.  
  
 VIKAS GOEL  
 CHAIRMAN CUM MG. DIRECTOR  
 DIN: 05122585



# AVNISH SHARMA & ASSOCIATES

## CHARTERED ACCOUNTANTS

#49, SUSHILA VILLA, SECTOR 7, PANCHKULA, HARYANA-134109

Phone no. : (O) 0172-4666330, 4625749 (M) 9872980396

E-mail: avnishca@hotmail.com



Independent Auditor's Report on Consolidated Annual Financial Results of the company pursuant to Regulations 33 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (as amended)

To the board of Directors of  
MEGASTAR FOODS LIMITED

### Opinion

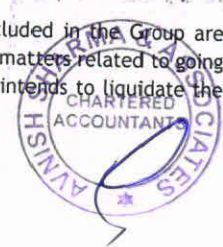
- 1 We have audited the accompanying consolidated annual financial results of M/s MEGASTAR FOODS LIMITED ("the Holding Company") (formerly MEGASTAR FOODS PRIVATE LIMITED) and its subsidiary (the Holding Company and its subsidiaries together referred to as 'the Group'), for the year ended 31st March, 2021 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date ("consolidated financial results") attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
- 2 In our opinion and to the best of our information and according to the explanations given to us, and as per audited financial statements of the subsidiary, as referred to in paragraph 11 below, the aforesaid consolidated financial results:
  - (a) includes the annual financial results of the Parent Company - Megastar Foods Limited and subsidiary company-Megapacific Ventures Pvt. Ltd.;
  - (b) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
  - (c) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") and other accounting principles generally accepted in India of the net profit and other financial information for the year ended March 31, 2021 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date.

### Basis for Opinion

- 3 We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("the ICAI"). 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 Group in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the financial statements 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 obtained by us and in terms of our reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

### Board of Directors' Responsibilities for the Consolidated Financial Results

- 4 These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other financial information of the Group in accordance with the Accounting Standards 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 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, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.
- 5 In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.





- 6 The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the companies included in the Group.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

- 7 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.
- 8 As part of an audit in accordance with the Standards on Auditing, 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated 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 entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors.
- 9 We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors 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.
- 10 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 Matter**
- 11 We have also audited the annual financial statements of subsidiary company - Megapacific Ventures Pvt. Ltd. included in the Statement, whose financial information reflects total asset of ₹ 294.57 lakhs as at 31 March 2021, total revenue of NIL, total net loss of ₹ 6.42 lakhs, and cash outflow (net) of ₹ 1.77 lakhs for the year ended on that date, as considered in the Statement.
- 12 The Statement includes the consolidated financial results for the half year ended 31 March 2021, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the first half year of the current financial year, which were subject to limited review by us.



- 13 The consolidated financial results dealt with by this report has been prepared for the express purpose of filing with stock exchanges on which the Company's shares are listed. These results are based on and should be read with the audited consolidated financial statement of the Company for the year ended March 31, 2021 on which we issued an unmodified audit opinion vide our report dated June 4, 2021.

For Avnish Sharma & Associates

Chartered Accountants

FRN - 009398N



*Dinesh Manchanda*  
Dinesh Manchanda (M.No. 097591)

Partner

UDIN: 21097591AAAAEN1832

Place : Chandigarh

Dated : 04.06.2021



**MEGASTAR FOODS LIMITED**

Registered Office : PLOT NO. 807, INDUSTRIAL AREA, PHASE II, CHANDIGARH-160002

CIN : U15311CH2011PLC033393, Tel No: +91-01881-240401, E-mail: info@megastarfoods.com, Website: www.megastarfoods.com

**AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 31ST MARCH, 2021**

| Particulars                                                               | Amount in ₹ (lakhs) unless otherwise stated |                                       |                                       |                                       |                                       |
|---------------------------------------------------------------------------|---------------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
|                                                                           | For the half year ended on 31.03.2021       | For the half year ended on 30.09.2020 | For the half year ended on 31.03.2020 | For the full year ended on 31.03.2021 | For the full year ended on 31.03.2020 |
|                                                                           | (Unaudited)                                 | (Unaudited)                           | (Unaudited)                           | (Audited)                             | (Audited)                             |
| <b>Income</b>                                                             |                                             |                                       |                                       |                                       |                                       |
| I Revenue from operations                                                 | 8,569.07                                    | 7,960.44                              | 8,563.96                              | 16,529.51                             | 16,315.96                             |
| II Other income                                                           | 105.18                                      | 0.89                                  | (0.15)                                | 106.07                                | 6.34                                  |
| <b>III. Total Revenue</b>                                                 | <b>8,674.25</b>                             | <b>7,961.33</b>                       | <b>8,563.81</b>                       | <b>16,635.58</b>                      | <b>16,322.31</b>                      |
| <b>IV. Expenses:</b>                                                      |                                             |                                       |                                       |                                       |                                       |
| Cost of materials consumed                                                | 6,697.63                                    | 6,143.82                              | 7,224.28                              | 12,841.45                             | 13,496.73                             |
| Purchases of Stock-in Trade                                               | 697.70                                      | 559.58                                | 253.93                                | 1,257.29                              | 554.21                                |
| Changes in inventories                                                    | (91.27)                                     | 56.14                                 | (67.20)                               | (35.13)                               | (74.50)                               |
| Employee Benefits Expense                                                 | 206.49                                      | 190.31                                | 193.70                                | 396.80                                | 342.70                                |
| Financial Cost                                                            | 119.93                                      | 127.16                                | 166.95                                | 247.09                                | 325.22                                |
| Depreciation & Amortization Expense                                       | 85.85                                       | 75.40                                 | 66.49                                 | 161.25                                | 126.26                                |
| Other Expenses                                                            | 652.09                                      | 525.66                                | 550.11                                | 1,177.74                              | 1,080.50                              |
| <b>Total Expenses</b>                                                     | <b>8,368.43</b>                             | <b>7,678.07</b>                       | <b>8,388.27</b>                       | <b>16,046.50</b>                      | <b>15,851.12</b>                      |
| <b>Profit before exceptional and extraordinary items and tax (III-IV)</b> | <b>305.82</b>                               | <b>283.26</b>                         | <b>175.54</b>                         | <b>589.08</b>                         | <b>471.19</b>                         |
| Extraordinary Item                                                        | 0.39                                        | 0.07                                  | (0.23)                                | 0.46                                  | 0.14                                  |
| <b>V. Profit Before tax</b>                                               | <b>305.43</b>                               | <b>283.20</b>                         | <b>175.77</b>                         | <b>588.62</b>                         | <b>471.06</b>                         |
| <b>VI Tax Expense:</b>                                                    |                                             |                                       |                                       |                                       |                                       |
| Current Tax                                                               | 78.37                                       | 70.87                                 | 36.04                                 | 149.24                                | 105.13                                |
| Deferred Tax Expense/(Income)                                             | 23.50                                       | (2.80)                                | 13.65                                 | 20.70                                 | 28.07                                 |
| MAT Reverse                                                               | -                                           | -                                     | -                                     | -                                     | -                                     |
| <b>VII Profit After Tax</b>                                               | <b>203.56</b>                               | <b>215.12</b>                         | <b>126.07</b>                         | <b>418.69</b>                         | <b>337.85</b>                         |
| <b>VIII Earnings Per Equity Share (not annualised for half year)</b>      |                                             |                                       |                                       |                                       |                                       |
| (1) Basic (in absolute Rs. terms)                                         | 2.06                                        | 2.17                                  | 1.27                                  | 4.23                                  | 3.41                                  |
| (2) Diluted (in absolute Rs. terms)                                       | 2.06                                        | 2.17                                  | 1.27                                  | 4.23                                  | 3.41                                  |

*Imad*



*For Megastar Foods Ltd.*  
  
**Director**

## MEGASTAR FOODS LIMITED

## AUDITED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2021

|     | Particulars                                                                                | Amount in ₹(laks)             |                               |
|-----|--------------------------------------------------------------------------------------------|-------------------------------|-------------------------------|
|     |                                                                                            | As at 31.03.2021<br>(Audited) | As at 31.03.2020<br>(Audited) |
| I.  | <b>EQUITY AND LIABILITIES</b>                                                              |                               |                               |
| 1   | <b>Shareholders' Funds</b>                                                                 |                               |                               |
| (a) | Share Capital                                                                              | 990.37                        | 990.37                        |
| (b) | Reserves And Surplus                                                                       | 1,636.75                      | 1,218.07                      |
| (c) | Money received against share warrants                                                      | -                             | -                             |
| 2   | <b>Share application money pending allotment</b>                                           | -                             | -                             |
| 3   | <b>Minority Interest</b>                                                                   | -                             | -                             |
| 4   | <b>Non-Current Liabilities</b>                                                             |                               |                               |
| (a) | Long-Term Borrowings                                                                       | 560.23                        | 493.59                        |
| (b) | Deferred Tax Liabilities (Net)                                                             | 146.61                        | 125.90                        |
| (c) | Other Long term liabilities                                                                | 2.44                          | -                             |
| (d) | Long term provisions                                                                       | 17.60                         | 16.03                         |
| 5   | <b>Current Liabilities</b>                                                                 |                               |                               |
| (a) | Short Term borrowings                                                                      | 4,294.30                      | 1,556.26                      |
| (b) | Trade Payables                                                                             |                               |                               |
|     | (A) Total outstanding dues of micro enterprises and small enterprises                      | 7.20                          | 6.45                          |
|     | (B) Total outstanding dues of creditors other than micro enterprises and small enterprises | 234.31                        | 45.96                         |
| (c) | Other Current Liabilities                                                                  | 696.22                        | 208.14                        |
| (d) | Short Term Provisions                                                                      | 18.07                         | 0.77                          |
|     | <b>TOTAL</b>                                                                               | <b>8,604.10</b>               | <b>4,661.54</b>               |
| II. | <b>ASSETS</b>                                                                              |                               |                               |
|     | <b>Non-Current Assets</b>                                                                  |                               |                               |
| (a) | Property, Plant & Equipment                                                                | 2,103.15                      | 1,791.35                      |
| (b) | Non -Current Investment                                                                    | -                             | -                             |
| (c) | Deferred Tax Assets (Net)                                                                  | -                             | -                             |
| (d) | Long term loans & advances                                                                 | 36.27                         | 264.88                        |
| (e) | Other Non-Current Assets                                                                   | -                             | -                             |
| 2   | <b>Current assets</b>                                                                      |                               |                               |
| (a) | Current Investment                                                                         | -                             | -                             |
| (b) | Inventories                                                                                | 4,804.94                      | 1,087.70                      |
| (c) | Trade Receivables                                                                          | 1,625.75                      | 1,377.66                      |
| (d) | Cash And Cash Equivalents                                                                  | 10.48                         | 84.69                         |
| (e) | Short Term Loans And Advances                                                              | 8.74                          | 41.40                         |
| (f) | Other Current Assets                                                                       | 14.77                         | 13.86                         |
|     | <b>TOTAL</b>                                                                               | <b>8,604.10</b>               | <b>4,661.54</b>               |

*[Signature]*

AVINISH HARMA & ASSOCIATES  
CHARTERED  
ACCOUNTANTS

For Megastar Foods Ltd.  
*[Signature]*  
Director



## MEGASTAR FOODS LIMITED

## AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31ST MARCH, 2021

| Particulars                                             | Amount in ₹ (lakhs)                |                                    |
|---------------------------------------------------------|------------------------------------|------------------------------------|
|                                                         | For the full year ended 31.03.2021 | For the full year ended 31.03.2020 |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>           |                                    |                                    |
| Net profit before tax and extra ordinary items          | 588.62                             | 471.06                             |
| <b>Add:-</b>                                            |                                    |                                    |
| Adjustment for depreciation                             | 161.25                             | 126.26                             |
| Provision for gratuity                                  | 2.00                               | 5.50                               |
| Loss on sale of car                                     | -                                  | 0.01                               |
| Interest on Loans taken                                 | 247.09                             | 325.22                             |
| <b>Less:-</b>                                           |                                    |                                    |
| Interest Income                                         | 1.56                               | 2.46                               |
| Provision Reversed                                      | -                                  | -                                  |
| <b>Operating profit before working capital changes</b>  | 408.77                             | 454.54                             |
| <b>Current assets</b>                                   | 997.40                             | 925.60                             |
| (Increase)/decrease in debtors                          | (248.09)                           | 58.18                              |
| (Increase)/decrease in stock                            | (3,717.25)                         | 853.10                             |
| (Increase)/decrease in advances                         | 15.29                              | (9.86)                             |
| (Increase)/decrease in other current assets             | (0.90)                             | (3.82)                             |
| <b>Current liabilities</b>                              |                                    | 897.61                             |
| Increase/(decrease) in creditors                        | 191.54                             | (2.67)                             |
| Increase/(decrease) in expenses payable                 | 488.08                             | (32.50)                            |
| <b>Cash generated from operations</b>                   | (2,273.93)                         | 1,788.04                           |
| Taxes paid in cash                                      | 115.00                             | 81.04                              |
| Interest on working capital loan                        | 174.26                             | 235.83                             |
| <b>Net cash from operating activities</b>               | (2,563.19)                         | 1,471.16                           |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>           |                                    |                                    |
| Investment in shares                                    | -                                  | -                                  |
| Investment in Advances                                  | 228.60                             | (229.06)                           |
| Fixed assets purchased                                  | (473.04)                           | (375.07)                           |
| Fixed assets Sold                                       | -                                  | 2.00                               |
| Interest received                                       | 1.56                               | 2.46                               |
| <b>Net cash from investing activities</b>               | (242.88)                           | (599.67)                           |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>           |                                    |                                    |
| Proceeds from issue of share Capital                    | -                                  | -                                  |
| Proceeds from share premium account                     | -                                  | -                                  |
| Proceeds/(Repayment) of Secured loans                   | 3,181.00                           | (502.14)                           |
| Proceeds/(Repayment) of unsecured loans                 | (376.32)                           | (212.69)                           |
| Interest/charges paid on loans                          | (72.83)                            | (89.39)                            |
| <b>Net cash from financing activities</b>               | 2,731.86                           | (804.22)                           |
| <b>Net Change In Cash and Cash equivalent (A+B+C)</b>   | (74.21)                            | 67.27                              |
| Cash and Cash equivalent at the beginning of the period | 84.69                              | 17.42                              |
| <b>Cash and Cash equivalent at period end</b>           | 10.48                              | 84.69                              |

## NOTES:

- The above audited consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meeting held on 4th June, 2021.
- These audited consolidated financial results relate to Megastar Foods Limited and its 100% subsidiary (Megapacific Ventures Private Limited) are prepared by applying AS 21- "Consolidated Financial Statements".
- The company is primarily engaged in business of manufacturing of wheat & wheat products and accordingly there is no separate reportable segment.
- Figures pertaining to previous year/periods have been regrouped/rearranged, reclassified and restated wherever necessary to make them comparable with those of current year/period.
- As the company is listed on SME Platform of BSE, it has been exempted from applicability of IND-AS as per proviso to Rule 4 of Companies (Indian Accounting Standards) Rules, 2015.
- Figures of the half year ended on 31st March, 2021 are the balancing figures between audited figures in respect of the full year ended 31st March, 2021 and unaudited year to date figures upto half year ended 30th September, 2020.

Place : Chandigarh  
Dated : 04.06.2021



For & on behalf of the Board  
MEGASTAR FOODS LIMITED  
For Megastar Foods Ltd.  
VIKAS GOEL  
CHAIRMAN CUM MG. DIRECTOR  
DIN: 05122585  
Director