


ARTEFACT PROJECTS LIMITED

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STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30 th SEPTEMBER , 2019

Sr. No	Particulars	Quarter ended			Half Year Ended		Year Ended March 31,2019
		Sept 30,2019	June 30,2019	Sept 30,2018	Sept 30,2019	Sept 30,2018	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
1	Revenue from Operations (Net of GST)	955.04	614.95	359.40	1,569.99	865.43	2,255.56
2	Other Income	35.01	40.54	38.29	75.54	77.61	132.59
3	Total Income from Operations (Net)	990.05	655.49	397.69	1,645.53	943.04	2,388.15
4	Expenses						
	a) Employee Cost	287.04	276.12	248.41	563.16	488.50	986.08
	b) Retainer & Consultancy fees	215.91	115.11	105.20	331.02	271.38	527.47
	c) Change in Inventories of Work in Progress	57.02	(17.75)	(155.37)	39.27	(185.16)	(174.37)
	d) Depreciation & Amortisation Expense	26.84	26.51	21.40	53.35	42.41	84.34
	e) Finance Cost	82.15	74.61	98.62	156.76	190.43	363.64
	f) Travelling & Conveyance	91.34	69.18	65.37	160.52	128.95	278.53
	g) Other Expenditure	116.28	53.52	51.24	169.80	122.05	241.48
	Total Expenses	876.59	597.30	434.87	1,473.89	1,058.56	2,307.17
5	Profit/(Loss) before Exceptional Items & Tax (3-4)	113.46	58.18	(37.18)	171.64	(115.52)	80.98
6	Exceptional Items						
7	Profit/(Loss) before tax (5+6)	113.46	58.18	(37.18)	171.64	(115.52)	80.98
8	Tax Expenses						
	Current Tax	33.32	10.84	-	44.16	-	0.14
	Mat Credit Entitlement	(44.16)	-	(4.29)	(44.16)	-	(21.36)
	Deferred Tax Liability	0.94	0.76	-	1.70	(36.15)	(30.05)
	Income Tax of Earlier Years				-	-	-
9	Net Profit/(Loss) for the period (7-8)	123.35	46.59	(32.89)	169.94	(79.37)	132.25
10	Other Comprehensive Income (net of Tax) (items that will not be reclassified to profit & loss)		(2.30)	-	(2.30)	-	(0.66)
11	Total Comprehensive Income for the period (9+10)	123.35	44.29	(32.89)	167.64	(79.37)	131.59
12	(a) Minority Interest		-		-	-	-
	(b) Preacquisition Losses of Subsidiary Considered As Goodwill		-		-	-	-
13	Paid -up equity share capital (Face value of Rs. 10 each)	580.00	552.50	552.50	580.00	552.50	552.50
14	Earnings Per Share (EPS) (Face value of Rs. 10 each)						
	a. Basic EPS (in Rs.)	2.21	0.80	(1.24)*	3.01	(2.09)*	2.38
	b. Diluted EPS (in Rs.)	2.17	0.80	(1.24)*	2.97	(2.09)*	2.38
	(* Not annualised)						



NOTES

- 1 The above results for Quarter ending 30th September 2019 i.e., Q2 have been reviewed by the Audit Committee and approved & taken on record by the Board of Directors at its meeting held on 14th November 2019 and its release.
- 2 The above financial results have been prepared in accordance with Indian Accounting Standard (IND-AS) 34- Interim Financial Reporting as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- 3 The auditor's in their report on the financial statements of the Company for the Quarter ending 30th September, 2019 have expressed their inability to comment on the recoverability of the trade receivables in respect of completed projects amounting to Rs. 588.89 Lacs, having regard to the age of those receivables and non-availability of balance confirmations and reconciliations. As per management most of these trade receivables are due from the Govt. departments and outstanding against the long term contracts, the management is confident of recovery. However provision of Rs. 50 Lacs being made as a matter of prudent accounting policy during this quarter.
- 4 Other loans and advances includes Rs. 72.72 Lacs recoverable from one of the person with whom the company has entered into Financial Sponsorship Agreement since he neither joined the services nor repaid this amount. The Management issued notice of legal proceedings for its recovery.
- 5 The Company has made investment in fully convertible debentures amounting to Rs. 13.34 Crores (including interest accrued thereon) and also granted loan of Rs. 5.75 Crores (including interest due) to certain companies and same is fully recoverable. The value of investment being long term and strategic and considering the valuation report of mine reserves received by the company there is no diminution in the value of investments and hence no provision for impairment in value of investment and loan is required.
- 6 The Company has invested Rs. 90 lacs in Equity and granted loan of Rs. 87 Lacs. No provision for impairment in value of investments is required as the investment is long term and strategic in nature.
- 7 Company has service tax liability of Rs. 124.31 Lacs and GST of Rs. 13.21 lacs on 30.09.2019 for earlier years. However the reduced liability of service tax as per "Sabka Vishwas Legacy Dispute Resolution Scheme 2019", as announced by Central Govt. in Budget 2019-20 is to be ascertained as per detailed Rules there under. The Management is expecting a substantial relief of liability as per this Amnesty scheme & Company has not Accounted for any impact of benefit there of in current Q2 Quarter ending 30th September 2019.
- 8 The Company has adopted Ind AS 116 'Leases' effective from 1st April 2019. This has resulted in recognizing a right-of-use asset of Rs. 35.92 Lacs corresponding lease liability of Rs. 38.22 lacs and decrease in other equity by Rs. 2.30 Lacs as at 1st April 2019. Resulting impact in the financial results of the company of current period is increase of Rs. 5.52 Lacs and 0.77 Lacs in depreciation of right to use assets and finance cost on lease liability respectively and decrease in lease rent of Rs. 6.42 Lacs
- 9 The company is engaged only in the business of "Project Consultancy" and therefore, has only one Reportable Segment in accordance with IND-AS 108 "Operating Segments".
- 10 During the quarter, the company has issued 2.75 Lac numbers of fully paid equity share to promoters at the price of Rs. 32/- per equity share (including share premium of Rs. 22/- per share) amounting to total of Rs. 88 Lacs.
- 11 During the quarter, the company has issued 14.75 Lac numbers of share warrants of Face Value of Rs. 10/- per warrant at issue price of Rs. 32/- per warrant amounting to Rs. 472 Lacs to promoters and non promoters of which 25% of initial subscription amount of Rs. 118 Lacs is received as share subscription money by the company.
- 12 The figures for the corresponding previous periods/year have been restated /regrouped wherever necessary, to make them comparable.



For & on behalf of the Board of Directors
Artefact Projects Limited

Siddharth Shah
Whole Time Director

Ashok Karwa
CFO

Place : Nagpur
Date : 14th Nov, 2019

ARTEFACT PROJECTS LIMITED

Statement of Assets and Liabilities as at September,2019

Particulars	(Rs. In Lacs)	
	30 th Septemer,2019	As on March 31st, 2019
ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	2,103.09	2096.06
(b) Investment Property	19.42	19.42
(c) Intangible Assets	2.61	3.70
(d) Financial Assets		
(i) Investments	1,290.00	1290.00
(e) Other Non Current Assets	112.05	768.10
Total Non-Current Assets	3,527.17	4177.28
Current Assets		
(a) Inventories / Work in Progress	217.65	256.92
(b) Financial Assets	-	-
(i) Trade Receivables	1,858.28	2262.46
(ii) Cash & Cash Equivalents	139.65	259.43
(iii) Bank Balance other than above	0.85	0.85
(iv) Loans	-	-
(c) Other Current Assets	1,806.17	632.97
Total Current Assets	4,022.60	3412.63
TOTAL ASSETS	7,549.77	7589.91
EQUITY & LIABILITIES		
Equity		
(a) Equity Share Capital	580.00	552.50
(b) Other Equity	3,043.12	2815.22
(c) Money Received Against share warrants	118.00	-
Total Equity	3,741.12	3367.72
NON-CURRENT LIABILITIES		
(a) Financial Liabilities		
(i) Long Term Borrowings	478.93	577.87
(ii) Deferred Tax Liability (Net)	236.75	235.05
(b) Long Term Provisions	19.15	19.15
Total Non-Current Liabilities	734.84	832.07
CURRENT LIABILITIES		
(a) Financial Liabilities		
(i) Short Term Borrowings	938.51	1020.27
(ii) Trade and Other Payables	-	-
Total Outstanding Dues Of Micro Enterprises & small Enterprises	-	-
Total Outstanding Dues Of creditors other than Micro Enterprises & small Enterprises	120.43	580.00
(iii) Other Financial Liabilities	101.95	101.95
(b) Other Current Liabilities	1,881.76	1662.44
(c) Short Term Provisions	31.15	25.46
Total Current Liabilities	3,073.81	3390.12
TOTAL LIABILITIES	7,549.77	7589.91
Significant accounting policies		
Critical estimates and adjustment		

Figures for the previous periods are re-classified/re-arranged/re-grouped wherever required.



Place: Nagpur
Date: 14 th Nov , 2019

For & on behalf of the Board of Directors
Artefact Projects Limited

Siddharth Shah
Whole Time Director

Ashok Karwa
Chief Financial Officer

BANTHIA DAMANI & ASSOCIATES

CHARTERED ACCOUNTANTS

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LIMITED REVIEW REPORT

TO,

BOARD OF DIRECTORS

ARTEFACT PROJECTS LIMITED

1. We have reviewed the unaudited financial results of Artefact Projects Limited (the "Company") for the half year and Quarter ended September 30, 2019 which are included in the accompanying "Statement of Unaudited Financial Results for the half year and Quarter ended September 30, 2019" together with the relevant notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") read with SEBI circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular')

The Preparation of Statement in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 Interim Financial reporting "IND AS 34" prescribed under section 133 of Companies Act, 2013, as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India read with circulars is the responsibility of company's management and has been approved by the board of directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410. "Review of Interim Financial Information Performed by the



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Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.

3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Basis for Qualified Opinion:

Attention is drawn to the following matters:

- a) Note no.4 to the accompanying Statement of Unaudited Financial Results, wherein the Management of the company has considered the receivable amounting to Rs. 72.72 Lacs given as sponsorship for higher education in earlier years as good and recoverable. As informed to us, the Management has initiated legal action in this regard and shall decide in future on the amount of provision required, if any. We are however unable to comment on the extent of the recovery in this regard.

5. Emphasis on Matter:

We draw attention to

- a) Note no. 3 to the accompanying Statement of Unaudited Standalone Financial Results, wherein the Management of the company has considered long outstanding Trade Receivables from the Government clients in respect of completed Contracts, amounting to Rs.588.99 Lacs as good and fully recoverable. The company has realized Rs 76.91 Lacs till the date of this Review Report. However the



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management has as matter of prudent accounting policy, made provision of Rs 50 Lacs during the quarter. The management would view the receivables in future and any further provision, if required, will be made in the subsequent quarters.

- b) Note no. 6 to the accompanying Statement of Unaudited Standalone Financial Results regarding investment of Rs. 90 Lacs in equity shares and loan of Rs 87 Lacs to Artefact Infrastructure Limited. The management considers that since the company has shown profits and has positive net worth as per audited balance sheet for the year ending 31/3/2019, there is no diminution in the value of investment and hence no provision for impairment loss is required. The management also considers the loans as fully recoverable.
- c) Note No.5 to the accompanying Statement of Unaudited Financial Results, the Company has not made any provision for any impairment for the Quarter and half year ended 30th Sept, 2019 for expected Losses, if any, in accordance with Ind-AS-109 "Financial Instruments" for investments amounting to Rs.13.33 Crores (Including interest due thereon), in Unquoted fully compulsory convertible debentures of M/s Glowide Infrastructure Private Limited and Koradi Minerals Private Limited & loan of Rs.5.75crores to M/s Glowide Infrastructure Private Limited. The management has given representation that the investment in mining companies are long term and strategic in nature and considering the valuation report of mine reserves received by the company there is no diminution in the value of investments and hence no provision for impairment is required and these loans are fully recoverable. We have relied on the management representation in this regard.



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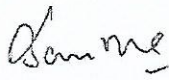
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- d) Note no.7 to the accompanying Statement of Unaudited Standalone Financial Results, regarding non-payment of Service Tax of Rs.124.31 Lacs and GST of Rs. 13.21 Lacs for period exceeding six months. Provision for the interest on delayed payment of taxes has been made in the results.

Our opinion is not qualified in respect of these matters.

6. Based on our review conducted as above, subject to the impact of the matters referred to in paragraph 4 above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with IND AS prescribed and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 read with SEBI circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular')
7. The accompanying statement includes the company's proportionate share of revenue of Rs.17.02 Lacs, expenditure of Rs.12.62 Lacs and share of profit after tax of Rs.4.40 Lacs in joint ventures for the Half Year ended September 30, 2019.

For Bantia Damani & Associates
Chartered Accountants
FRN- 126132W


Sudesh Bantia
Partner
M. No. 041344
UDIN:



Place: Nagpur
Date: 14.11.2019