



## POLYSPIN EXPORTS LIMITED ( 100% EOU )

1, Railway Feeder Road  
Cholapuram South 626 139  
(Via) Rajapalayam, Tamilnadu, INDIA  
Registered Office : 351, P.A.C.R. Salai,  
Rajapalayam - 626 117.

Tel : 91 4563 284000 / 503 / 504  
Fax : 91 4563 284505  
e-mail : fibc@polyspin.in  
CIN : L51909TN1985PLC011683



25<sup>th</sup> June, 2020

To

The Deputy Manager,  
Dept. of Corporate Service,  
Bombay Stock Exchange Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400001  
Sir,

Company Scrip Code: 539354

Sub: Outcome of Board Meeting held on Thursday, 25<sup>th</sup> June, 2020, in terms of Regulation 30(6) and 42 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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Pursuant to Second proviso to Regulation 30(6) and 42 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the Board of Directors of the Company, in their meeting held on today Thursday, 25<sup>th</sup> June, 2020, through Video Conferencing initiated from the Administrative Office of the company situated at 1, Railway Feeder Road, Cholapuram South – 626 139, have,

1. Approved the audited Financial Results (Standalone and Consolidated) for the Quarter and Year Ended 31<sup>st</sup> March 2020.
2. Recommended for the Re-appointment of Sri.S.V.Ravi and Sri.P.Vaidyanathan who retires by rotation in the annual general meeting and Appointment of Mr. Rajesh Devarajan and Sri.K.S. Pradeep who were appointed as Additional Director (Independent Directors) of the company.
3. Recommended for the payment of dividend at Re.0 60 (Sixty paise only) per equity share of Rs.10/- each for the Year Ended 31<sup>st</sup> March 2020 and fixed **05.08.2020** as Record date for the eligible shareholders for dividend.
4. Approved sub-division of Equity Shares of Rs.10/- each into 2 Equity shares of Rs.5/- each and for amendment of Clause V of Memorandum of Association of the company. Requisite details of sub-division are given in Annexure I.
5. Recommended for the issue of Bonus equity shares in the proportion of 1:4 i.e. 1 (One) new fully paid-up equity share of Rs. 5/- (Rupees Five only) each for every 4 (Four) existing fully paid-up equity share of Rs.5/- (Rupees Five only) each held by the members. Requisite details of Bonus issue are given in Annexure II.

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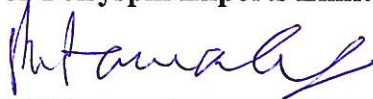
6. Approved alteration of Memorandum of association of the company to align with Table A of the Companies Act, 2013 including alteration of Objects clause of the Memorandum of association of the company subject to the approval of the members of the Company.
7. Approved to convene 35<sup>th</sup> Annual General Meeting of the company on Wednesday 12<sup>th</sup> August 2020 at 10.00 A.M. and conduct through Video Conferencing/ other audio visual means.
8. To Approve the Notice convening the 35<sup>th</sup> Annual General Meeting.
9. Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from 6<sup>th</sup> August 2020 to 12<sup>th</sup> August 2020.

The board Meeting commenced at 10.00 A.M. and concluded at 12.15 P.M. We request you to take on record of the above.

Thanking you,

Yours faithfully,

For Polyspin Exports Limited,

  
(P.K.Ramasubramanian)  
Company Secretary







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### Annexure I - Details of sub-division of Equity Shares

Sl. No	Particulars	Details	
1	Sub-division	Sub-division of Equity Shares of Rs.10/- each into Rs.5/- each.	
2	Reason for such sub division	In order to make the company's equity shares more affordable, enabling participation of retail and individual small investors and thereby facilitate more liquidity of equity shares of the company.	
3	Pre and Post Share Capital	Pre Subdivision	Post Subdivision
	Authorised Capital	50,00,000 Equity shares of Rs.10/- each	1,00,00,000 Equity shares of Rs.5/- each
	Subscribed and Paid up Capital	40,00,000 Equity shares of Rs.10/- each	80,00,000 Equity shares of Rs.5/- each
4	Expected Time of Completion	Approximately within 3 months from the date of approval by the members	
5	Class of Shares which are subdivided	Equity Shares of face value of Rs.10/- each	
6	No of shares of each class pre and post sub-division	As per item No. 3 given above	
7	No of shareholders who did not get any shares in consolidation and pre consolidation shareholding	Not Applicable	

### Annexure II - Details of Bonus issue of equity shares

1. Whether bonus is out of free reserves created out of profits or share premium account:

The bonus issue will be made out of General Reserve of the Company as per the audited financial statements as on March 31, 2020.

2. Bonus ratio: 1:4 i.e. 1 (One) new fully paid-up equity share of 5/- (Rupees Five only) each for every 4 (Four) existing fully paid-up equity share of Rs. 5/- (Rupees Five only) each held by the members. Record date will be announced in due course of time.





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### 3. Details of share capital - pre and post bonus issue:

Share Capital	Pre-Bonus			Post Bonus		
	No of shares	Face Value Rs.	Total Share Capital Rs.	No of shares	Face Value	Total Share Capital
Authorised Equity	50,00,000	Rs.10/-	5,00,00,000/-	1,00,00,000	Rs.5/-	5,00,00,000/-
Paid-up and subscribed	40,00,000	Rs.10/-	4,00,00,000/-	1,00,00,000	Rs.5/-	5,00,00,000/-

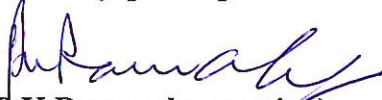
4. Free reserves and/or share premium required for implementing the bonus issue:  
Rs.1,00,00,000/- (Rupees one crore only)

5. Free reserves and/or share premium available for capitalisation and the date as on which such balance is available:

As per the audited financial statements as on March 31, 2020, the available General Reserve balance is Rs.33,86,25,698/-.

6. Whether the aforesaid figures are audited: Yes, the figures mentioned in item no. 5 are audited.

For Polyspin Exports Limited,

  
(P.K.Ramasubramanian)  
Company Secretary





# POLYSPIN EXPORTS LIMITED

CIN : L51909TN1985PLC011683


Regd. Office : No.351, P.A.C.R. Salai, RAJAPALAYAM - 626 117.

## STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>ST</sup> MARCH, 2020

(Rs. in Lakhs)

SL No.	Particulars	Quarter ended			Year ended	
		Audited	Unaudited	Audited	Audited	Audited
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
1.	Revenue from Operations	3721.97	4309.98	4749.29	16619.01	21202.83
	Other Income	175.51	355.06	57.44	607.92	285.24
	<b>Total Income from Operations (Net)</b>	<b>3897.48</b>	<b>4665.04</b>	<b>4806.73</b>	<b>17226.93</b>	<b>21488.07</b>
2.	Expenses					
a.	Cost of Materials Consumed	2246.02	2364.59	2796.52	9678.93	12589.77
b.	Changes in Inventories of finished goods, work-in-process	(158.80)	51.26	125.07	(134.81)	175.43
c.	Employee Benefits Expenses	730.47	840.88	724.19	3034.40	3069.82
d.	Finance Costs	122.04	106.21	118.79	461.62	466.65
e.	Depreciation and Amortisation Expenses	86.24	92.54	77.56	351.65	303.15
f.	Power and Fuel	210.45	227.37	211.74	860.65	881.22
g.	Other Expenses	605.00	566.10	588.25	2236.13	2917.67
	<b>Total Expenses</b>	<b>3841.42</b>	<b>4248.95</b>	<b>4642.12</b>	<b>16488.57</b>	<b>20403.71</b>
3.	Profit from Ordinary Activities before Tax (1-2)	56.06	416.09	164.61	738.36	1084.36
4.	Tax Expense					
	- Current Tax	1.55	95.68	62.00	157.00	319.00
	- Deferred Tax	20.33	27.76	8.60	54.57	34.60
	<b>Total Tax Expenses</b>	<b>21.88</b>	<b>123.44</b>	<b>70.60</b>	<b>211.57</b>	<b>353.60</b>
5.	Net Profit for the period after tax (3-4)	34.18	292.65	94.01	526.79	730.76
6.	Other Comprehensive Income (net of tax)	11.29	0.26	11.82	20.33	23.09
7.	Total Comprehensive Income after tax (5+6)	45.47	292.91	105.83	547.12	753.85
8.	Paid-up equity Share Capital	400.00	400.00	400.00	400.00	400.00
9.	Reserves excluding revaluation reserves	----	----	----	----	2896.08
10.	Earning per Share (Face value of the Share Rs.10/- each) <b>Not Annualized</b> Basic & Diluted	1.14	7.32	2.65	13.68	18.85

For POLYSPIN EXPORTS LIMITED

  
Managing Director





# POLYSPIN EXPORTS LIMITED

CIN : L51909TN1985PLC011683

Regd. Office : No.351, P.A.C.R. Salai, RAJAPALAYAM - 626 117.

SEGMENTWISE REPORTING FOR THE QUARTER AND YEAR ENDED 31<sup>ST</sup> MARCH, 2020  
(Rs. in Lakhs)

SL No.	Particulars	Quarter ended			Year ended	
		Audited	Unaudited	Audited	Audited	Audited
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
1.	Segment Revenue					
	a) FIBC Bags, Fabric, Multifilament Yarn, Yarn	3287.77	3728.18	4045.86	14378.09	18346.34
	b) Cotton Yarn	434.20	581.80	703.43	2240.92	2856.49
	<b>TOTAL</b>	<b>3721.97</b>	<b>4309.98</b>	<b>4749.29</b>	<b>16619.01</b>	<b>21202.83</b>
2.	Segment Results (Profit (+) / loss (-) before tax and interest from each segment)					
	a) FIBC Bags, Fabric, Multifilament Yarn, Yarn	210.98	490.30	291.93	1189.38	1486.76
	b) Cotton Yarn	(32.88)	32.00	(8.53)	10.60	64.25
	<b>TOTAL</b>	<b>178.10</b>	<b>522.30</b>	<b>283.40</b>	<b>1199.98</b>	<b>1551.01</b>
	Less: Financial Charges	122.04	106.21	118.79	461.62	466.65
	<b>Total Profit Before Tax</b>	<b>56.06</b>	<b>416.09</b>	<b>164.61</b>	<b>738.36</b>	<b>1084.36</b>
3.	Capital Employed					
	Segment assets	10018.98	10254.99	10568.71	10018.98	10568.71
	a) FIBC Bags, Fabric, Multifilament Yarn, Yarn	1816.13	1488.36	1459.83	1816.13	1459.83
	b) Cotton Yarn	11835.11	11743.35	12028.54	11835.11	12028.54
	Segment Liabilities					
	a) FIBC Bags, Fabric, Multifilament Yarn, Yarn	6193.86	7275.76	8017.63	6193.86	8017.63
	b) Cotton Yarn	1854.99	724.95	714.83	1854.99	714.83
	<b>Total</b>	<b>8048.85</b>	<b>8000.71</b>	<b>8732.46</b>	<b>8048.85</b>	<b>8732.46</b>

## Segment Reporting:-

Information given in accordance with the requirement of Accounting Standard on Segment Reporting. Company's business segments are as under:

Manufacturing: a) FIBC Bags, Fabric, Multifilament Yarn, Yarn b) Cotton Yarn

## Segment Accounting Policies:-

- Segment accounting disclosures are in line with accounting policies of the company.
- Segment Revenue includes sales and other income directly identifiable with / allocable to this segment.
- Expenses that are directly identifiable with allocable segment are considered for determining the segment results.
- Regrouping done wherever necessary.

For POLYSPIN EXPORTS LIMITED

  
Managing Director



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## STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 31<sup>ST</sup> MARCH, 2020 (Rs. in Lakhs)

Particulars	Audited	Audited
	As at 31.03.2020	As at 31.03.2019
<b>ASSETS</b>		
<b>Non-Current assets</b>		
Property, Plant and Equipment	4529.94	3822.07
Capital work in-progress	243.77	666.40
Other Intangible assets	1.88	2.21
Financial Assets		
i) Other Investments	67.43	66.92
ii) Others Financial Assets	72.44	100.52
Other non-current assets	35.35	61.83
	4950.81	4719.95
<b>Current assets</b>		
Inventories	2454.97	2671.66
Financial Assets		
i) Trade receivables	2435.00	2119.89
ii) Cash and cash equivalents	33.24	262.36
iii) Other Bank Balance	1305.78	900.90
iv) Other Financial Assets	292.39	826.06
Current Tax Assets (Net)	191.31	247.97
Other current assets	171.61	279.75
	6884.30	7308.59
	<b>11835.11</b>	<b>12028.54</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share capital	400.00	400.00
Other Equity	3386.26	2896.08
	3786.26	3296.08
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial Liabilities		
i) Borrowings	1021.21	1127.62
Deferred tax liabilities (Net)	441.00	386.43
	1462.21	1514.05
<b>Current liabilities</b>		
Financial Liabilities		
i) Borrowings	4767.13	4493.71
ii) Trade Payables	1000.18	1583.77
iii) Other Financial Liabilities	283.80	302.37
Other Current liabilities	369.96	519.56
Provisions	165.57	319.00
	6586.64	7218.41
	<b>11835.11</b>	<b>12028.54</b>
<b>Total Assets</b>	<b>11835.11</b>	<b>12028.54</b>
<b>Total Equity and Liabilities</b>	<b>11835.11</b>	<b>12028.54</b>

For POLYSPIN EXPORTS LIMITED

  
Managing Director



# POLYSPIN EXPORTS LIMITED

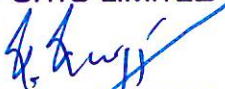
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## STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020 (Rs. in Lakhs)

Particulars	Audited	Audited
	As at 31.03.2020	As at 31.03.2019
<b>A Cash Flow from Operating Activities :</b>		
Profit Before Tax	738.36	1084.36
Adjustments for :		
Depreciation & Amortisation Expenses	351.65	303.15
Loss on sale of assets	9.02	8.44
(Profit) on sale of assets	(3.57)	—
Loss on Factory Building (Fire Accident)	—	56.69
Interest Expenses	461.62	466.65
Interest Income	(67.50)	(43.31)
Dividend Income	(0.44)	(0.37)
<b>Operating Profit before working capital</b>	<b>1489.14</b>	<b>1875.61</b>
Adjustment for Changes in		
(Increase) / Decrease in Inventories	216.69	(238.52)
(Increase) / Decrease in Trade receivables	(315.10)	360.80
(Increase) / Decrease in Other Financial Assets	28.08	10.45
(Increase) / Decrease in Other non current assets	26.48	(51.77)
(Increase) / Decrease in Other current assets	108.14	(76.81)
(Increase) / Decrease in Other current financial assets	533.66	(212.89)
Increase / (Decrease) in Trade Payables	(583.59)	(0.69)
Increase / (Decrease) in Other current Liabilities & Provision	(149.40)	169.15
Cash generated from operations	1354.10	1835.33
Income taxes paid (Net of refunds)	(254.85)	(341.25)
<b>Net Cash from operating activities (A)</b>	<b>1099.25</b>	<b>1494.08</b>
<b>B B. Cash Flow from Investing Activities :</b>		
Purchase of fixed assets WIP	(647.92)	(1013.36)
Proceeds from sale of fixed assets	5.90	2.92
Dividend Receipts	0.44	0.37
Interest Receipts	67.50	43.31
Investments in Term Deposits with banks	(404.88)	(535.78)
<b>Net Cash used in Investing Activities (B)</b>	<b>(978.96)</b>	<b>(1502.54)</b>
<b>C Cash Flow from Financial Activities :</b>		
Proceeds / (Repayment) of long term borrowings	(106.41)	245.25
Borrowings for working capital purposes	273.41	388.28
Investment in Subsidiaries / Associates	0.51	(0.20)
Interest Expenses	(461.62)	(466.65)
Dividend paid (Including Tax on Dividend)	(55.29)	(55.03)
<b>Net Cash used in Financial Activities (C)</b>	<b>(349.40)</b>	<b>111.65</b>
<b>D Net Increase in Cash and Cash Equivalents (A) + (B) + (C)</b>	<b>(229.11)</b>	<b>103.19</b>
Cash and Cash equivalents at the beginning of the period	262.35	159.16
Cash and Cash equivalents at the end of the period	33.24	262.35
<b>E Net (Increase) / Decrease In Cash &amp; Cash Equivalents</b>	<b>(229.11)</b>	<b>103.19</b>

For POLYSPIN EXPORTS LIMITED

  
Managing Director





# POLYSPIN EXPORTS LIMITED

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## Notes

1. The above Audited financial results were reviewed and recommended by the Audit Committee of Directors and approved by the Board of Directors in their meeting held on 25.06.2020 respectively.
2. The Statement has been prepared in accordance with the companies (Indian Accounting Standard) Rules, 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
3. The Board of Directors has recommended a final dividend of 6% on Paid up Equity capital of the company, representing Re.0.60 per Equity share, subject to the approval from the share holders at the ensuing Annual General Meeting.
4. Effective April 01, 2019, the company has adopted IND AS 116 "Leases" as notified by the Ministry of Corporate Affairs (MCA) in the companies (Indian Accounting Standards) Amendment Rules, 2019, using modified retrospective method. The adoption of this standard did not have any material impact on the profit of these financial results.
5. The figures for the quarter ended 31<sup>st</sup> March, 2020 and 31<sup>st</sup> March, 2019 are the balancing figures between audited figures in respect of the full financial year and year to date figures upto the third quarter of the relevant financial year.
6. The lockdown all over the country due to COVID-19 pandemic, there was a direct impact on the Company's business, performance and financials to some extent. Both the Company's FIBC Bags Manufacturing (EOU) Unit and Open End Textile Division unit situated at Cholapuram South, Rajapalayam were shut down completely for a period of 22 days from 25.03.2020 to 15.04.2020 due to lockdown. Due to uncertainty prevailing currently in terms of COVID-19 pandemic spread and control, we are not able to assess the exact impact of this pandemic on our business, but we continue to assess the situation on an ongoing basis.

The Company has resumed its business operation with effect from 16.04.2020 partially with 50% employees after getting due permission from the local government authorities and in compliance with the Social Distancing Norms (Standard Operating Procedures) issued by the Ministry of Home Affairs, Government of India. Further our production capacities remain underutilized, low attendance of employees, supply chain disruptions, significantly higher freight cost, etc., which are impacting the business and the profitability.

Both the Company's FIBC Bags Manufacturing (EOU) Unit and Open End Textile Division unit situated at Cholapuram South, Rajapalayam have been sanitized so that all our employees are safe and secure. All safety protocols of temperature sensing, wearing of Safety gears (masks, goggles, face shields), social distancing, sanitizing and washing hands are being adhered to very stringently in all the work places of the company.

There is no impact on the orders position for FIBC Bags and the company is able to meet its delivery commitments with minor setback during the total lock down period.

The company got permission for the postponement of repayment of term loan commitments for the first three months, as per the Honourable Finance Minister, Govt. of India, announcements a set of reforms / stimulus in five tranches covering major sectors of the economy but the payment of interest on bank loans and working capital credit limits was made in time. From operational perspective, company has discharged all its statutory obligation in respect of payment of salaries and wages to employees, and other statutory payments and account payables, etc., in the regular course of business. Further the company is in a comfortable liquidity position to meet its commitments.

Company continues to adequately maintain all internal financial and reporting controls and none of our assets have been impacted or impaired as a result of the pandemic.

However, a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve

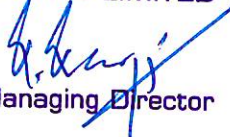
7. The company has option to pay the reduced income tax rates as per Section 115BAA of the Income Tax Act, with effect from 1st April, 2019, subject to certain condition. But, the company continuing to provide for Income Tax at old rates, in view of the benefits available under the existing tax regime.
8. The receipt of Rs. 250 Lakhs towards fire insurance claim is considered in 'Other Income' during the quarter ended 31st December, 2019.
9. Figures have been re-grouped wherever necessary.

**By Order of the Board of Directors  
For POLYSPIN EXPORTS LTD.,**

Place : Rajapalayam  
Date : 25.06.2020

**R.RAMJI  
MANAGING DIRECTOR & CEO**

For POLYSPIN EXPORTS LIMITED

  
Managing Director

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of M/s. POLYSPIN EXPORTS LIMITED

**Report on the Audit of the Standalone Financial Results**

**Opinion**

We have audited the accompanying statement of quarterly and year to date standalone financial results of Polyspin Exports Limited (hereinafter referred to as the "Company") for the year ended 31<sup>st</sup> March 2020, 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').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:

1. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
2. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31<sup>st</sup> March 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the Standalone annual financial results.

**Emphasis of Matters**

- a. We draw attention to Note No.29.3 to the standalone financial statements, which describes the status of the Fire Accident Claim with the Insurance Company.





- b. We draw attention to Note No.36.7 to the standalone financial statements, which describes the status of confirmation of balance of Trade Debtors, Trade Creditors and other Parties.
- c. We draw attention to Note No.29.4 to the standalone financial statements, which describes the impact of the COVID-19 pandemic on the operations and financial results. The Management has assessed that there is no material impact on the financial statements due to lockdown and related restrictions imposed towards controlling the COVID19 pandemic. Our opinion is not modified in respect of this matter.

Our opinion remains unmodified in respect of the matters above.

**Management's and Board of Directors' Responsibilities for the Standalone Financial Results**

These standalone financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act 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 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 standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results**





## SRITHAR & ASSOICATES

### Chartered Accountants

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Our objectives are to obtain reasonable assurance about whether the standalone annual 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 annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the standalone annual 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.
2. 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 through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
4. Conclude on the appropriateness of the Management and 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 appropriateness of this assumption. 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 standalone annual 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.



## SRITHAR & ASSOICATES

### Chartered Accountants

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5. Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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.

#### Other Matters

Our attendance at the physical verification done by the management was impracticable under the current lock down restrictions imposed by the government. Consequently, we have performed alternative procedures to audit on the existence and condition of inventory at year end as per the guidance provided in SA-501 'Audit Evidence - Specific considerations for selected items' and have obtained sufficient audit evidence to issue our un-modified opinion on those standalone financial results.

Our opinion on the statement is not modified in respect of this matter

The standalone annual financial results include the results for the quarter ended 31st March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **SRITHAR & ASSOICATES**  
Chartered Accountants  
Firm's Registration No. 015896S



(S.SRITHAR)  
Membership No. 209047

UDIN: 20209047AAAAA 25887

Date: 25.06.2020  
Place: Chennai







# POLYSPIN EXPORTS LIMITED

CIN : L51909TN1985PLC011683

Regd. Office : No.351, P.A.C.R. Salai, RAJAPALAYAM - 626 117.

## STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>ST</sup> MARCH, 2020

(Rs. in Lakhs)

SL No.	Particulars	Quarter ended			Year ended	
		Audited	Unaudited	Audited	Audited	Audited
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
1.	Revenue from Operations	3721.97	4309.98	4749.29	16619.01	21202.83
	Other Income	175.51	355.06	57.44	607.92	285.24
	<b>Total Income from Operations (Net)</b>	<b>3897.48</b>	<b>4665.04</b>	<b>4806.73</b>	<b>17226.93</b>	<b>21488.07</b>
2.	Expenses					
a.	Cost of Materials Consumed	2246.02	2364.59	2796.52	9678.93	12589.77
b.	Changes in Inventories of finished goods, work-in-process	(158.80)	51.26	125.07	(134.81)	175.43
c.	Employee Benefits Expenses	730.47	840.88	724.19	3034.40	3069.82
d.	Finance Costs	122.04	106.21	118.79	461.62	466.65
e.	Depreciation and Amortisation Expenses	86.24	92.54	77.56	351.65	303.15
f.	Power and Fuel	210.45	227.37	211.74	860.65	881.22
g.	Other Expenses	605.00	566.10	588.25	2236.13	2917.67
	<b>Total Expenses</b>	<b>3841.42</b>	<b>4248.95</b>	<b>4642.12</b>	<b>16488.57</b>	<b>20403.71</b>
3.	Profit from Ordinary Activities before Tax (1-2)	56.06	416.09	164.61	738.36	1084.36
4.	Tax Expense					
	- Current Tax	1.55	95.68	62.00	157.00	319.00
	- Deferred Tax	20.33	27.76	8.60	54.57	34.60
	<b>Total Tax Expenses</b>	<b>21.88</b>	<b>123.44</b>	<b>70.60</b>	<b>211.57</b>	<b>353.60</b>
5.	Profit for the period before share of profit of Associates (3-4)	34.18	292.65	94.01	526.79	730.76
6.	Share of Profit	(7.72)	1.39	(3.32)	8.26	14.40
7.	Net Profit for the period after tax (5+6)	26.46	297.04	90.69	535.06	745.16
8.	Other Comprehensive Income (net of tax)	11.29	0.26	11.82	20.33	23.09
9.	Total Comprehensive Income after tax (7+8)	37.75	294.04	102.51	555.38	768.25
10.	Paid-up equity Share Capital	400.00	400.00	400.00	400.00	400.00
11.	Reserves excluding revaluation reserves	----	----	----	----	2953.65
12.	Earning per Share (Face value of the Share Rs.10/- each) <b>Not Annualized</b> Basic & Diluted	<b>0.94</b>	7.36	2.56	<b>13.88</b>	19.21

For POLYSPIN EXPORTS LIMITED

*(Signature)*  
Managing Director





# POLYSPIN EXPORTS LIMITED

CIN : L51909TN1985PLC011683

Regd. Office : No.351, P.A.C.R. Salai, RAJAPALAYAM - 626 117.

SEGMENTWISE REPORTING FOR THE QUARTER AND YEAR ENDED 31<sup>ST</sup> MARCH, 2020

(Rs. in Lakhs)

SL No.	Particulars	Quarter ended			Year ended	
		Audited	Unaudited	Audited	Audited	Audited
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
1.	Segment Revenue					
	a) FIBC Bags, Fabric, Multifilament Yarn, Yarn	3287.77	3728.18	4045.86	14378.09	18346.34
	b) Cotton Yarn	434.20	581.80	703.43	2240.92	2856.49
	<b>TOTAL</b>	<b>3721.97</b>	<b>4309.98</b>	<b>4749.29</b>	<b>16619.01</b>	<b>21202.83</b>
2.	Segment Results (Profit (+) / loss (-) before tax and interest from each segment)					
	a) FIBC Bags, Fabric, Multifilament Yarn, Yarn	210.98	490.30	291.93	1189.38	1486.76
	b) Cotton Yarn	(32.88)	32.00	(8.53)	10.60	64.25
	<b>TOTAL</b>	<b>178.10</b>	<b>522.30</b>	<b>283.40</b>	<b>1199.98</b>	<b>1551.01</b>
	Less: Financial Charges	122.04	106.21	118.79	461.62	466.65
	<b>Total Profit Before Tax</b>	<b>56.06</b>	<b>416.09</b>	<b>164.61</b>	<b>738.36</b>	<b>1084.36</b>
3.	Capital Employed					
	Segment assets	10084.81	10328.54	10626.28	10084.81	10626.28
	a) FIBC Bags, Fabric, Multifilament Yarn, Yarn	1816.14	1488.36	1459.83	1816.14	1459.83
	b) Cotton Yarn	11900.95	11816.90	12086.11	11900.95	12086.11
	Segment Liabilities					
	a) FIBC Bags, Fabric, Multifilament Yarn, Yarn	7684.19	7275.76	8017.63	7684.19	8017.63
	b) Cotton Yarn	364.67	724.95	715.83	364.67	715.83
	<b>Total</b>	<b>8048.86</b>	<b>8000.71</b>	<b>8733.46</b>	<b>8048.86</b>	<b>8733.46</b>

## Segment Reporting:-

Information given in accordance with the requirement of Accounting Standard on Segment Reporting. Company's business segments are as under:

Manufacturing: a) FIBC Bags, Fabric, Multifilament Yarn, Yarn b) Cotton Yarn

## Segment Accounting Policies:-

- Segment accounting disclosures are in line with accounting policies of the company.
- Segment Revenue includes sales and other income directly identifiable with / allocable to this segment.
- Expenses that are directly identifiable with allocable segment are considered for determining the segment results.
- Regrouping done wherever necessary.

For POLYSPIN EXPORTS LIMITED

  
Managing Director



# POLYSPIN EXPORTS LIMITED

CIN : L51909TN1985PLC011683

Regd. Office : No.351, P.A.C.R. Salai, RAJAPALAYAM - 626 117.

## CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31<sup>ST</sup> MARCH, 2020 (Rs. in Lakhs)

Particulars	Audited	Audited
	As at 31.03.2020	As at 31.03.2019
<b>ASSETS</b>		
<b>Non-Current assets</b>		
Property, Plant and Equipment	4529.94	3822.07
Capital work in-progress	243.77	666.40
Other Intangible assets	1.88	2.21
Financial Assets		
i) Other Investments	133.26	124.49
ii) Others Financial Assets	72.44	100.52
Other non-current assets	35.35	61.83
	5016.64	4777.52
<b>Current assets</b>		
Inventories	2454.97	2671.66
Financial Assets		
i) Trade receivables	2435.00	2119.89
ii) Cash and cash equivalents	33.24	262.36
iii) Other Bank Balance	1305.78	900.90
iv) Other Financial Assets	292.39	826.06
Current Tax Assets (Net)	191.31	247.97
Other current assets	171.61	279.75
	6884.30	7308.59
<b>Total Assets</b>	<b>11900.94</b>	<b>12086.11</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share capital	400.00	400.00
Other Equity	3452.09	2953.65
	3852.09	3353.65
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial Liabilities		
i) Borrowings	1021.21	1127.62
Deferred tax liabilities (Net)	441.00	386.43
	1462.21	1514.05
<b>Current liabilities</b>		
Financial Liabilities		
i) Borrowings	4767.13	4493.71
ii) Trade Payables	1000.18	1583.77
iii) Other Financial Liabilities	283.80	302.37
Other Current liabilities	369.96	519.56
Provisions	165.57	319.00
	6586.64	7218.41
<b>Total Equity and Liabilities</b>	<b>11900.94</b>	<b>12086.11</b>

For POLYSPIN EXPORTS LIMITED

Managing Director



# POLYSPIN EXPORTS LIMITED

CIN : L51909TN1985PLC011683

Regd. Office : No.351, P.A.C.R. Salai, RAJAPALAYAM - 626 117.

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020 (Rs. in Lakhs)

Particulars	Audited	Audited
	As at 31.03.2020	As at 31.03.2019
<b>A Cash Flow from Operating Activities :</b>		
Profit Before Tax	746.62	1098.76
Adjustments for :		
Depreciation & Amortisation Expenses	351.65	303.15
Loss on sale of assets	9.02	8.44
(Profit) on sale of assets	(3.57)	---
Loss on Factory Building (Fire Accident)	---	56.69
Interest Expenses	461.62	466.65
Interest Income	(67.50)	(43.31)
Dividend Income	(0.44)	(0.37)
<b>Operating Profit before working capital</b>	<b>1497.40</b>	<b>1890.01</b>
Adjustment for Changes in		
(Increase) / Decrease in Inventories	216.69	(238.52)
(Increase) / Decrease in Trade receivables	(315.10)	360.80
(Increase) / Decrease in Other Financial Assets	28.08	10.45
(Increase) / Decrease in Other non current assets	26.48	(51.77)
(Increase) / Decrease in Other current assets	108.14	(76.81)
(Increase) / Decrease in Other current financial assets	533.66	(212.89)
Increase / (Decrease) in Trade Payables	(583.59)	(0.69)
Increase / (Decrease) in Investments	(8.26)	(14.40)
Increase / (Decrease) in Other current Liabilities & Provision	(149.40)	169.15
Cash generated from operations	1354.10	1835.33
Income taxes paid (Net of refunds)	(254.85)	(341.25)
<b>Net Cash from operating activities (A)</b>	<b>1099.25</b>	<b>1494.08</b>
<b>B B. Cash Flow from Investing Activities :</b>		
Purchase of fixed assets WIP	(647.92)	(1013.36)
Proceeds from sale of fixed assets	5.90	2.92
Dividend Receipts	0.44	0.37
Interest Receipts	67.50	43.31
Investments in Term Deposits with banks	(404.88)	(535.78)
<b>Net Cash used in Investing Activities (B)</b>	<b>(978.96)</b>	<b>(1502.54)</b>
<b>C Cash Flow from Financial Activities :</b>		
Proceeds / (Repayment) of long term borrowings	(106.41)	245.25
Borrowings for working capital purposes	273.41	388.28
Investment in Subsidiaries / Associates	0.51	(0.20)
Interest Expenses	(461.62)	(466.65)
Dividend paid (Including Tax on Dividend)	(55.29)	(55.03)
<b>Net Cash used in Financial Activities (C)</b>	<b>(349.40)</b>	<b>111.65</b>
<b>D Net Increase in Cash and Cash Equivalents (A) + (B) + (C)</b>	<b>(229.11)</b>	<b>103.19</b>
<b>Cash and Cash equivalents at the beginning of the period</b>	<b>262.35</b>	<b>159.16</b>
<b>Cash and Cash equivalents at the end of the period</b>	<b>33.24</b>	<b>262.35</b>
<b>E Net (Increase) / Decrease In Cash &amp; Cash Equivalents</b>	<b>(229.11)</b>	<b>103.19</b>

For POLYSPIN EXPORTS LIMITED

Managing Director





# POLYSPIN EXPORTS LIMITED

CIN : L51909TN1985PLC011683

Regd. Office : No.351, P.A.C.R. Salai, RAJAPALAYAM - 626 117.

## Notes

1. The above Audited financial results were reviewed and recommended by the Audit Committee of Directors and approved by the Board of Directors in their meeting held on 25.06.2020 respectively.
2. The Statement has been prepared in accordance with the companies (Indian Accounting Standard) Rules, 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
3. The Board of Directors has recommended a final dividend of 6% on Paid up Equity capital of the company, representing Re.0.60 per Equity share, subject to the approval from the share holders at the ensuing Annual General Meeting.
4. Effective April 01, 2019, the company has adopted IND AS 116 "Leases" as notified by the Ministry of Corporate Affairs (MCA) in the companies (Indian Accounting Standards) Amendment Rules, 2019, using modified retrospective method. The adoption of this standard did not have any material impact on the profit of these financial results.
5. The figures for the quarter ended 31<sup>st</sup> March, 2020 and 31<sup>st</sup> March, 2019 are the balancing figures between audited figures in respect of the full financial year and year to date figures upto the third quarter of the relevant financial year.
6. The lockdown all over the country due to COVID-19 pandemic, there was a direct impact on the Company's business, performance and financials to some extent. Both the Company's FIBC Bags Manufacturing (EOU) Unit and Open End Textile Division unit situated at Cholapuram South, Rajapalayam were shut down completely for a period of 22 days from 25.03.2020 to 15.04.2020 due to lockdown. Due to uncertainty prevailing currently in terms of COVID-19 pandemic spread and control, we are not able to assess the exact impact of this pandemic on our business, but we continue to assess the situation on an ongoing basis.

The Company has resumed its business operation with effect from 16.04.2020 partially with 50% employees after getting due permission from the local government authorities and in compliance with the Social Distancing Norms (Standard Operating Procedures) issued by the Ministry of Home Affairs, Government of India. Further our production capacities remain underutilized, low attendance of employees, supply chain disruptions, significantly higher freight cost, etc., which are impacting the business and the profitability.

Both the Company's FIBC Bags Manufacturing (EOU) Unit and Open End Textile Division unit situated at Cholapuram South, Rajapalayam have been sanitized so that all our employees are safe and secure. All safety protocols of temperature sensing, wearing of Safety gears (masks, goggles, face shields), social distancing, sanitizing and washing hands are being adhered to very stringently in all the work places of the company.

There is no impact on the orders position for FIBC Bags and the company is able to meet its delivery commitments with minor setback during the total lock down period.

The company got permission for the postponement of repayment of term loan commitments for the first three months, as per the Honourable Finance Minister, Govt. of India, announcements a set of reforms / stimulus in five tranches covering major sectors of the economy but the payment of interest on bank loans and working capital credit limits was made in time. From operational perspective, company has discharged all its statutory obligation in respect of payment of salaries and wages to employees, and other statutory payments and account payables, etc., in the regular course of business. Further the company is in a comfortable liquidity position to meet its commitments.

Company continues to adequately maintain all internal financial and reporting controls and none of our assets have been impacted or impaired as a result of the pandemic.

However, a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve

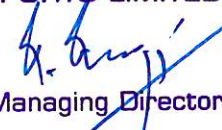
7. The company has option to pay the reduced income tax rates as per Section 115BAA of the Income Tax Act, with effect from 1st April, 2019, subject to certain condition. But, the company continuing to provide for Income Tax at old rates, in view of the benefits available under the existing tax regime.
8. The receipt of Rs. 250 Lakhs towards fire insurance claim is considered in 'Other Income' during the quarter ended 31<sup>st</sup> December, 2019.
9. Figures have been re-grouped wherever necessary.

**By Order of the Board of Directors  
For POLYSPIN EXPORTS LTD.,**

Place : Rajapalayam  
Date : 25.06.2020

For POLYSPIN EXPORTS LIMITED

**R.RAMJI  
MANAGING DIRECTOR & CEO**

  
Managing Director



# POLYSPIN EXPORTS LIMITED

CIN : L51909TN1985PLC011683

Regd. Office : No.351, P.A.C.R. Salai, Rajapalayam - 626 117.

## EXTRACT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31<sup>ST</sup> MARCH, 2020

(Rs. In Lakhs)

SL No.	Particulars	Quarter Ended			Year Ended	
		Audited	Unaudited	Audited	Audited	Audited
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
1.	Total Income from Operations (Net)	3897.48	4665.04	4806.73	17226.93	21488.07
2.	Net Profit for the period before tax	56.06	416.09	164.61	738.36	1084.36
3.	Net Profit for the period after tax	34.18	292.65	94.01	526.79	730.76
4.	Total Comprehensive Income for the period after tax (Comprising Profit) for the Period after tax and other Comprehensive Income after tax	45.47	292.91	105.83	547.12	753.85
5.	Paid of Equity Share Capital	400.00	400.00	400.00	400.00	400.00
6.	Other Equity	—	—	—	—	2896.08
7.	Earnings per Share (Face value Rs.10/- each) Not Annualized					
	Basic :	1.14	7.32	2.65	13.68	18.85
	Diluted :	1.14	7.32	2.65	13.68	18.85

### Notes :

- The above is an extract of the format of Quarter and Year ended Audited Financial results filed with the Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarter and Year ended audited Financial results are available on the Stock Exchange Websites (www.bseindia.com) and on Company's website (www.polyspin.org)
- The above audited financial results were reviewed and recommended by the Audit Committee of Directors and approved by the Board of Directors in their meeting held on 25.06.2020 respectively.
- The Board of Directors has recommended a final dividend of 6% on Paid up Equity Capital of the company, representing Re.0.60 per Equity share, subject to the approval from the share holders at the ensuing Annual General Meeting.
- Key Numbers of Consolidated Audited Financial Results of the Company for the Quarter and Year ended 31<sup>st</sup> March, 2020 are as below:-

Particulars	Quarter Ended			Year Ended	
	Audited	Unaudited	Audited	Audited	Audited
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
Total Income from Operations (Net)	3897.48	4665.04	4806.73	17226.93	21488.07
Profit before tax	56.06	416.09	164.61	738.36	1084.36
Profit for the year before share of Profit of Associates	34.18	292.65	94.01	526.79	730.76
Share of Profit of Associates	(7.72)	1.39	(3.32)	8.26	14.40
Net Profit	26.46	294.04	90.69	535.05	745.16
Total Comprehensive Income for the period after tax (Comprising Profit) for the period after tax and other Comprehensive Income after tax	37.75	294.30	102.51	555.38	768.25

- The receipt of Rs. 250 Lakhs towards fire insurance claim is considered in 'Other Income' during the Quarter ended 31<sup>st</sup> December, 2019.
- Figures have been re-grouped wherever necessary.

Place : Rajapalayam  
Date : 25.06.2020

**By Order of the Board of Directors  
For POLYSPIN EXPORTS LTD.,**

**R.RAMJI  
MANAGING DIRECTOR & CEO**

For POLYSPIN EXPORTS LIMITED

  
Managing Director



**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of M/s. POLYSPIN EXPORTS LIMITED

**Report on the Audit of the Consolidated Financial Results**

**Opinion**

We have audited the accompanying consolidated year to date financial results of Polyspin Exports Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") for the year ended 31<sup>st</sup> March 2020, 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').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor on separate audited financial statements of the subsidiary, the aforesaid consolidated year to date financial results:

- a. include the annual financial results of the following entity

**Associate:**

- Lankaspin 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 Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net loss and other comprehensive income and other financial information of the Group for the quarter ended March 31, 2020 and for the period from April 01, 2019 to March 31, 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the



## **SRITHAR & ASSOICATES**

### *Chartered Accountants*

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consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

#### **Emphasis of Matters**

- a. We draw attention to Note No.29.3 to the consolidated financial statements, which describes the status of the Fire Accident Claim with the Insurance Company.
- b. We draw attention to Note No.36.6 to the consolidated financial statements, which describes the status of confirmation of balance of Trade Debtors, Trade Creditors and other Parties.
- c. We draw attention to Note No.29.4 to the consolidated financial statements, which describes the impact of the COVID-19 pandemic on the operations and financial results. The Management has assessed that there is no material impact on the financial statements due to lockdown and related restrictions imposed towards controlling the COVID19 pandemic. Our opinion is not modified in respect of this matter.

The auditors of subsidiary company have reported an Emphasis of matter in this regard in their report.

Our opinion remains unmodified in respect of the matters above.

#### **Management's and Board of Directors' Responsibilities for the Consolidated Financial Results**

These consolidated year to date financial results have been prepared on the basis of the consolidated year to date financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group including its subsidiary in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act 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 and of its subsidiary are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act; for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the





consolidated annual 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 annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Management and the respective Board of Directors of the companies included in the Group and of its subsidiary are responsible for assessing the ability of each company 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 management/Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its subsidiary is responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated annual 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. 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.
2. 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 through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



## **SRITHAR & ASSOICATES**

### *Chartered Accountants*

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3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
4. Conclude on the appropriateness of the Management and 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 and its subsidiaries 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 annual 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 and its subsidiary to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its subsidiary to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entity included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

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.

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 Matters**





## SRITHAR & ASSOICATES

### Chartered Accountants

1. We did not audit the financial statements of ONE subsidiary company included in the consolidated financial results year to date, whose financial statements reflect total assets of Rs. 1182.14 Lakhs as at 31<sup>st</sup> March 2020 and total revenues of Rs.3586.31 Lakhs and , total net profit after tax of Rs. 21.46 Lakhs and total comprehensive income of Rs. 21.46 Lakhs for the quarter ended 31<sup>st</sup> March 2020 and for the period from 01<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020 respectively, and net cash inflows of Rs. 33.32 Lakhs for the year ended 31<sup>st</sup> March 2020. These financial statements as per IND As and other financial information have been audited by another independent auditor whose report has been furnished to us, and our opinion on the year to date results, to the extent they have been derived from such audited financial statements is based solely on the report of such other auditors
2. Our attendance at the physical verification done by the management was impracticable under the current lock down restrictions imposed by the government. Consequently, we have performed alternative procedures to audit on the existence and condition of inventory at year end as per the guidance provided in SA-501 'Audit Evidence - Specific considerations for selected items' and have obtained sufficient audit evidence to issue our un-modified opinion on those consolidated financial results.

Our opinion on the statement is not modified in respect of these matters with respect to our reliance on the work done and the reports of the other auditors and financial results/financial information certified by the Board of Directors.

The consolidated financial results include the results for the quarter ended 31st March 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year to date figures up to the third quarter of the current financial year, which were subjected to a limited review by us.

For **SRITHAR & ASSOCIATES**  
Chartered Accountants  
Firm's Registration No. 015896S



(S.SRITHAR)  
Membership No. 209047

UDIN: 20209047AAAAARS429

Date: 25.06.2020  
Place: Chennai

