



AKSHAR SPINTEX LIMITED

Date: 29/06/2020

To,
The Department of Corporate Services,
BSE Limited
P.J. Tower, Dalal Street,
Mumbai - 400 001.

Ref: BSE Script Code: 541303

Dear Sir/Madam,

Sub: Outcome of Board Meeting held on Monday, 29th June, 2020

Ref: Submission of Standalone Financial Result for the half year/ year ended on 31st March, 2020 as per Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

With reference to the above captioned subject and in Compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the outcome of the meeting of the Board of Directors of the Company held on Monday, June 29th 2020 at the Registered Office of the Company:

1. Board of Directors has approved Standalone Financial Results of the Company for the half year/year ended on 31st March, 2020.
2. The Board has adopted the Auditor Report issued by the Statutory Auditors M/s. H. B. Kalaria & Associates on Financial Results of the Company for the Financial Year ended on 31st March, 2020.

M/s. H. B. Kalaria & Associates, Statutory Auditor of the Company have issued Audit Report with unmodified opinion on Financial Results. The Standalone Financial Results along with report of Auditor's thereon is attached herewith.

3. Board of Directors has approved appointment of M/s. Varsha & Associates, Practising Company Secretaries, Mumbai as a Secretarial Auditor of the Company.
4. Board of Directors has approved appointment of M/s. Mitesh Suvagiya & Co. Practising Cost Accountant as a Cost Auditor, Rajkot as a Cost Auditor of the Company.

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Administrative Office: C-704, The Imperial Heights, 150 feet Ring Road, Opp. Big Bazaar, Rajkot, Gujarat 360005. T : +91 8000 777 671,

CIN : L17291GJ2013PLC075677





AKSHAR SPINTEX LIMITED

5. The Board took note of status of Complaints pending at the beginning of the Quarter, disposed of during the Quarter and unresolved at the end of the Quarter.

The Board Meeting is commenced at 4:05 p.m. and concluded at 05:20 p.m.

Kindly, update the same on your records.

Yours Faithfully,

For, AKSHAR SPINTEX LIMITED

Chavda Ashwin

CS Ashwin Chavda
Company Secretary & Compliance Officer



INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF HALF YEARLY FINANCIAL RESULTS

To the Members of **Akshar Spintex Limited**

Report on the Standalone Financial Statements

Opinion

We have (a) audited the accompanying standalone financial statements which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information and (b) reviewed the Standalone Financial Results for the half year ended March 31, 2020 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the half year and year ended March 31, 2020 of **Akshar Spintex Limited ("the Company")**, ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Financial Results

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

- i. Are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and
- ii. Give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss and its cash flows for the year ended on that date.

(b) Conclusion on Unaudited Standalone Financial Results for the Half Year ended March 31, 2020

With respect to the Standalone Financial Results for the Half year ended March 31, 2020 based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the half year ended March 31, 2020 prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



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. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* 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 Companies Act, 2013 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.

Emphasis of Matter

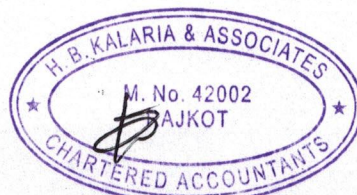
We draw your attention to Note 2.6 of the section Summary of Significant Accounting Policies where the Company has not complied with the provisions of AS 15 – Employee Benefits with respect to creating a provision for leave encashment expense payable to its employees. The Company determines the liability for defined benefit plans on actual payment basis only.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. 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 implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibility for the Audit of the Financial Statements**(a) Audit of the Standalone Financial Results for the year ended March 31, 2020**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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 financial statements, 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's 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 statements 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.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(b) Review of the Standalone Financial Results for the half year ended March 31, 2020

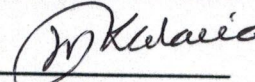
We conducted our review of the Standalone Financial Results for the half year ended March 31, 2020 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matters

The Statement includes the results for the half year ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the Half year (September 30, 2019) of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

Place: Rajkot
Date: 29/06/2020

For, **HB Kalaria and Associates**
Firm Reg. No. 104571W
Chartered Accountants



(Hasmukh Kalaria)
Partner

Mem. No. 042002
UDIN: 20042002AAAAHV6589



AKSHAR SPINTEX LIMITED

STATEMENT OF STANDALONE AUDITED RESULTS FOR THE HALF YEAR ENDED 31st MARCH, 2020

Particulars	Six months ended	Preceding six months ended	Corresponding Six months ended	Year Ended	Previous year Ended
	31.03.2020	30.09.2019	31.03.2019	31.03.2020	31.03.2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
I. Revenue from operations	639,370,938	451,594,529	512,598,194	1,090,965,467	1,006,317,872
II. Other income	10,598,484	9,322,448	13,211,256	19,920,932	42,995,375
III. Total revenue (I + II)	649,969,422	460,916,977	525,809,450	1,110,886,399	1,049,313,247
IV. Expenses:					
Cost of materials consumed	560,062,887	364,814,430	406,532,829	924,877,317	789,359,965
Purchases of stock-in-trade	-	-	-	-	-
Changes in inventories of finished goods work-in-progress and stock-in-trade	(6,310,676)	872,398	(5,720,016)	(5,438,278)	(3,570,013)
Employee benefits expense	28,253,604	27,850,261	26,822,279	56,103,865	56,615,006
Finance costs	14,038,518	16,552,113	13,492,377	30,590,630	24,698,528
Depreciation and amortisation expense	20,576,554	20,447,877	19,081,642	41,024,431	38,209,388
Other expenses	64,696,739	45,072,941	52,605,451	109,769,680	105,533,772
Total expenses	681,317,626	475,610,020	512,814,562	1,156,927,646	1,010,846,646
V. Profit before exceptional and extraordinary items and tax (III - IV)	(31,348,204)	(14,693,043)	12,994,888	(46,041,247)	38,466,601
VI. Exceptional items	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	(31,348,204)	(14,693,043)	12,994,888	(46,041,247)	38,466,601
VIII. Extraordinary items	-	-	-	-	-
IX. Profit before tax (VII - VIII)	(31,348,204)	(14,693,043)	12,994,888	(46,041,247)	38,466,601
X. Tax expense:					
(1) Current tax	8,270,691	-	(7,747,951)	8,270,691	126,409
(2) Deferred tax	(1,786,210)	4,790,632	4,449,760	3,004,422	15,913,171
XI. Profit/ (Loss) for the period from continuing operations (IX-X)	(37,832,685)	(19,483,675)	16,293,079	(57,316,360)	22,427,021
XII. Profit/(loss) from discontinuing operations	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-
XIV. Profit/ (loss) from discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-
XV. Profit/ (Loss) for the period (XI + XIV)	(37,832,685)	(19,483,675)	16,293,079	(57,316,360)	22,427,021
Paid-up Equity Share Capital (weighted average) (Face Value Rs. 10 Each)	249,990,000	249,990,000	248,949,950	249,990,000	248,949,950
XVI. Earnings per equity share:					
(1) Basic	(1.51)	(0.78)	0.65	(2.29)	0.90
(2) Diluted	(1.51)	(0.78)	0.65	(2.29)	0.90
XVII. Interest Service Coverage Ratio	-	0.05	2.02	(0.58)	2.72
Debt Service Coverage Ratio	-	0.01	0.40	(0.16)	0.52
Debt Equity Ratio	-	0.59	0.66	0.81	0.66

Notes to the financial results:

- The Company's Standalone financial results for the year ended March 31, 2020 have been reviewed by the Board of Directors and subsequently approved and taken on record by the Board of Directors of the Company at its meeting held on 29th June, 2020. These Standalone financial results have been extracted from the audited financial statements. Figures for the three months ended March 31, 2020 represent the difference between the audited figures in respect of full financial years and the published figures for the six months ended September 30, 2019.
- Figures of previous reporting periods have been regrouped/reclassified wherever necessary to correspond with the figures of the current reporting period.
- The Companies Operations fall under a single segment "Spinning of Cotton Yarn" . Hence, Segment reporting is not applicable as per Accounting Standard (AS) - 17 - Segment Reporting.
- Moratorium in accordance with the Reserve Bank of India (RBI) guidelines :
The outbreak of Covid-19 pandemic across the globe & India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The RBI has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020 and in accordance therewith, the Group has taken a moratorium of three months on the payment of all principal instalments and/ or interest, as applicable, falling due between March 1, 2020 and May 31, 2020.
- Estimation of uncertainty relating to COVID-19 global health pandemic:
In assessing the recoverability of loans, receivables, intangible assets (including goodwill), deferred tax asset and investments, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports upto the date of approval of these standalone financial results. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the carrying amount of these assets represent the Company's best estimate of the recoverable amounts. As a result of the uncertainties resulting from COVID-19, the impact of this pandemic may be different from those estimated as on the date of approval of these financial results and the Group will continue to monitor any changes to the future economic conditions.



6. Formulae for computation of ratios are as follows:

A) Debt Equity Ratio =

$$\frac{\text{Debt}}{\text{Equity}}$$

B) Debt Service Coverage Ratio =

$$\frac{\text{Earnings before interest and tax}}{\text{Interest Expense + Principal Repayments made for long term loans}}$$

C) Interest Service Coverage Ratio =

$$\frac{\text{Earnings before interest and tax}}{\text{Interest Expense}}$$

Akshar Spintex Limited

For and on behalf of Board of Directors,

Ashokbhai Bhalala
Managing Director

Ashokbhai Bhalala
Managing Director
DIN: 02003197



Date : 29.06.2020
Place : Haripar

AKSHAR SPINTEX LIMITED

AUDITED STANDALONE BALANCE SHEET AS AT 31st MARCH 2020

	Particulars	As at	
		31.03.2020	31.03.2019
		(Audited)	(Audited)
(in Rs.)			
I	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	249,990,000	249,990,000
	(b) Reserves and surplus	100,151,999	157,468,359
	(c) Money received against share warrants	-	-
2	Changes in inventories of finished goods work-in-progress and stock-in-trade	-	-
3	Non-current liabilities		
	(a) Long-term borrowings	124,678,057	193,649,012
	(b) Deferred tax liabilities (net)	41,106,692	38,102,269
	(c) Other Long term liabilities	-	-
	(d) Long term provisions	2,597,489	1,644,324
4	Current liabilities		
	(a) Short term borrowings	89,488,425	59,420,620
	(b) Trade payables :-		
	(A) total outstanding dues of micro enterprises and small enterprises; and	-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	53,202,913	58,260,528
	(c) Other current liabilities	81,155,386	86,648,962
	(d) Short term provisions	230,245	116,034
	TOTAL	742,601,204	845,300,108
II	ASSETS		
	Non-current assets		
1	(a) Fixed assets		
	(i) Tangible assets	497,039,416	491,170,011
	(ii) Intangible assets	-	-
	(iii) Capital work-in-progress	-	46,295,707
	(iv) Intangible assets under development	-	-
	(b) Non-current investments	3,100,000	-
	(c) Deferred tax assets (net)	-	-
	(d) Long-term loans and advances	74,937	94,937
	(e) Other non-current assets	14,575,398	16,785,425
2	Current assets		
	(a) Current investments	-	-
	(b) Inventories	99,666,740	131,575,272
	(c) Trade receivables	45,470,967	50,157,648
	(d) Cash and cash equivalents	1,118,585	1,280,268
	(e) Short-term loans and advances	46,343,240	53,879,603
	(f) Other current assets	35,211,921	54,061,237
	TOTAL	742,601,204	845,300,108



For and on behalf of Board of Directors,

Ashokbhai Bhalala
Managing Director

Ashokbhai Bhalala
Chairman

DIN: 02003197

Date : 29.06.2020

Place : Haripar

AKSHAR SPINTEX LIMITED
Standalone Cash Flow Statement for the period ended March 31, 2020

Particulars	Period ended March 31, 2020	Period ended March 31, 2019
(in Rs.)		
A. Cash flow from operating activities		
Profit/(Loss) before tax	(46,041,247)	38,466,601
Adjustments for		
Finance costs	30,590,630	24,698,528
Depreciation and amortisation costs	41,024,431	38,209,388
Interest income from non-current investments	(968,615)	(1,142,908)
Net gain on disposal/discarding of tangible assets	(45,447)	-
Other miscellaneous expenditure written off	-	198,344
Operating profit/(loss) before working capital changes	24,559,752	100,429,953
Adjustment for changes in working capital		
Adjustments for (increase)/decrease in operating assets		
Inventories	31,908,533	(11,513,577)
Trade receivables	4,686,680	1,232,314
Long-term loans and advances	20,000	-
Short-term loans and advances	2,986,801	(4,123,156)
Other non-current assets	-	-
Other current assets	18,849,316	(19,818,121)
Adjustments for increase/(decrease) in operating liabilities		
Trade payables	(5,057,616)	25,335,311
Short-term provisions	114,211	25,876
Other long-term liabilities	-	-
Long-term provisions	953,165	364,993
Other current liabilities	2,599,542	(743,272)
Cash generated from/(used in) operating activities	81,620,383	91,190,321
Direct taxes paid (net of refunds)	(3,721,128)	(5,835,557)
Net cash generated from/(used in) operating activities	77,899,255	85,354,764
Net cash generated from/(used in) operating activities	77,899,255	85,354,764
B. Cash flow from investing activities		
Proceeds from sale of tangible assets	306,821	-
Purchase of tangible assets	(1,518,709)	(51,138,718)
Payments for purchase of controlling investment(s) in subsidiaries/other(s)	(3,100,000)	-
Interest received	968,615	1,142,908
Cash and bank balances not classified as cash and cash equivalents	2,210,027	(4,602,353)
Cash generated from/(used in) investing activities	(1,133,246)	(54,598,162)
Net cash generated from/(used in) investing activities	(1,133,246)	(54,598,162)
Net cash generated from/(used in) investing activities	(1,133,246)	(54,598,162)
C. Cash flow from financing activities		
Proceeds from issue of shares	-	39,960,000
Proceeds from long-term borrowings	23,762,192	233,812,753
Repayment of long-term borrowings	(100,809,095)	(281,350,198)
Proceeds from short-term borrowings	1,261,245,513	1,441,367,527
Repayment of short-term borrowings	(1,231,177,709)	(1,437,712,830)
Finance costs paid	(29,948,593)	(26,700,447)
Cash generated from/(used in) financing activities	(76,927,691)	(30,623,196)
Net cash generated from/(used in) financing activities	(76,927,691)	(30,623,196)
Net cash generated from/(used in) financing activities	(76,927,691)	(30,623,196)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(161,683)	133,407
Cash and cash equivalents at the beginning of the period	1,280,268	1,146,861
Cash and cash equivalents at the end of the period	1,118,585	1,280,268



Notes:

1. The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3.
2. Previous year figures have been regrouped and recasted wherever necessary to conform to current year's classification.

Date : 29.06.2020
Place : Haripar



Akshar Spintex Limited

For and on behalf of Board of Directors,

Managing Director

Ashokbhai Bhalala

Managing Director

DIN: 02003197



AKSHAR SPINTEX LIMITED

DECLARATION

To,
The Board of Directors
AKSHAR SPINTEX LIMITED

Dear Sir/Madam,

Subject: Declaration under Regulation 33(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In terms of the provisions of Regulation 33(2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, I Pratik Raiyani, Chief Financial officer of the Company hereby declare that Audited Financial Results for the half year and financial year ended on March 31, 2020 do not contain any false or misleading statement or figures and do not omit any material fact which may make the statement of figures contained therein misleading.

For, AKSHAR SPINTEX LIMITED


Pratik Raiyani
Chief Financial Officer



Place: Haripar
Date: 29.06.2020

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CIN : L17291GJ2013PLC075677