



Regd. Office : Texcellence Complex, Near Anupam Cinema, Khokhra, Ahmedabad - 380 021, India.

Phone : 91-79-67777000 • Fax : 91-79-22773061 • E-mail : [texcellence@ashima.in](mailto:texcellence@ashima.in)

CIN No : L99999GJ1982PLC005253

Date : 30.07.2020

To,  
**BSE Limited**  
Corporate Relationship Department,  
25<sup>th</sup> Floor, P J Towers,  
Dalal Street, Fort,  
Mumbai - 400001  
SECURITY CODE NO. 514286

To,  
**National Stock Exchange of India Ltd**  
Exchange Plaza 5<sup>th</sup> Floor,  
Plot no. C/1, G Block,  
Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051.  
SECURITY CODE NO. ASHIMASYN

Dear Sir,

**Sub : Outcome of the Board meeting held on Thursday, 30<sup>th</sup> July, 2020 and submission of Audited Standalone and Consolidated Financial Results of the Company for the quarter & year both ended on 31<sup>st</sup> March, 2020.**

**Ref : Regulation 30 read with Reg. 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations")**

With reference to the captioned subject matter, we hereby inform you that the Board of Directors of the Company at its meeting held today inter-alia transacted following businesses;

1. Approval of Audited Standalone and Consolidated Financial Results for the quarter and year both ended on 31<sup>st</sup> March, 2020.
2. Approval of alteration in Authorised and Paid-up Share Capital:
  - a. Upon Scheme of Amalgamation and Arrangement between Ashima Dyecot Private Limited ("Transferor Company"/"ADPL") and Ashima Limited ("Transferee Company"/"Company") becoming effective on 29.07.2020 ("The Scheme"), the authorized share capital of Rs. 58,98,00,000/- divided into 5,89,80,000 Equity Shares of Rs. 10/- each of Transferor Company has been consolidated with the Authorised Share Capital of the Company. The said authorised capital shall stand further altered by increase in Authorised equity share Capital of Rs. 3,18,00,780/- divided into 3180078 Equity Shares of Rs. 10/- in consideration of amalgamation of Transferor Company.
  - b. In accordance with the aforesaid Scheme, 7,52,81,959 equity Shares of Rs. 10/- each of the Company held by ADPL, the Transferor Company shall stand cancelled without any further act or deed by operation of law and shall not amount to reduction of paid up share capital in terms of the said Scheme.



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In terms of second proviso to Regulation 33(3)(d) of the SEBI LODR Regulations, we confirm that the Auditors have given an Unmodified Opinion on the Annual Audited Standalone and Consolidated Financial Results of the Company for the financial year ended March 31, 2020.

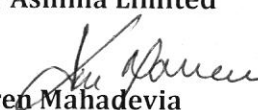
Pursuant to Regulation 30 and 33 of the SEBI LODR Regulations, we enclose the following:

1. Audited Standalone and Consolidated Financial Results of the Company for the quarter and year both ended March 31, 2020 alongwith Auditors' Report by M/s. Mukesh M. Shah & Co., Statutory Auditors of the Company.
2. Statement of Assets and Liabilities along with the Cashflow Statement for the year ended on 31<sup>st</sup> March, 2020.
3. Declaration in respect of unmodified opinion on the aforesaid Audited Financial Results.

The meeting of Board of Directors commenced at 11.40 a.m. and concluded at 12.07 a.m./p.m.

You are requested to take the above on your records and bring this to the Notice of all concerned.

Thanking you,  
Yours faithfully,  
For Ashima Limited

  
Hiren Mahadevia  
Company Secretary



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Bandra (East), Mumbai - 400051.  
SECURITY CODE NO. ASHIMASYN

Dear Sir,

**Sub: Declaration in respect of Unmodified Opinion on Audited Standalone and Consolidated Financial Results for the quarter and year both ended on 31<sup>st</sup> March, 2020.**

**Ref: Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

We hereby declare that the Statutory Auditors of the Company, M/s Mukesh M. Shah & Co, Chartered Accountants, Ahmedabad (Firm reg. no. 106625W) have issued an Audit Report with Unmodified Opinion on Audited Standalone and Consolidated Financial Results of the Company for the quarter and year both ended on 31<sup>st</sup> March, 2020.

The declaration is given in compliance to second proviso of Reg. 33(3)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Amendment), Regulations 2016, vide notification no. SEBI/LAD-NRO/GN/2016-17/001, dated 25<sup>th</sup> May, 2016.

Please take the above on record

Thanking You,  
Yours Faithfully,

For Ashima Limited

**Chintan N. Parikh**  
Chairman & Managing Director



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**Independent Auditors' Report on Annual Standalone Financial Results and review of quarterly Standalone financial results of Ashima Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

To,  
The Board of Directors,  
Ashima Limited  
Ahmedabad

**Opinion**

We have audited the accompanying statement of financial results of Ashima Limited ['the Company'], for the quarter and year ended on March 31, 2020 ['the Statement'] attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016 as amended by SEBI Circular No. CIR/CFD/CMD1/44/2019 dated 29<sup>th</sup> March, 2019.

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

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the year ended 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 Standards are further described in the Auditor's Responsibilities for the Audit of the 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 results 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 Matters**

We draw attention to Note 10 to the accompanying financial statements, which describe management's assessment of uncertainty relating to the effects of the COVID-19 pandemic on the Company's operations and other related matters. Our opinion is not modified in respect of this matter.



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

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the annual financial statements.

The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, 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 are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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 Financial Results. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Results, including the disclosures, and whether the 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

The annual financial results include the results for the quarter ended 31<sup>st</sup> March, 2020 being the balance figures between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year. Our report on the statement is not modified in respect of this matter.

Place: Ahmedabad

Date: 30<sup>th</sup> July, 2020

UDIN: 20102651AAAABL8505



For Mukesh M. Shah & Co  
Chartered Accountants  
Firm Regn. No. 106625W

*S. S. Shah*  
Suvrat S. Shah  
Partner

Membership No. 102651



ASHIMA LIMITED  
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(Rs. in Lacs, except per share data)

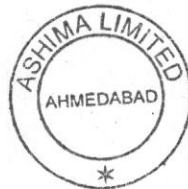
STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON 31ST MARCH, 2020

Sr.No.	Particulars	Quarter ended			Year ended	
		31/03/2020	31/12/2019	31/03/2019	31/03/2020	31/03/2019
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		Audited	Unaudited	Audited	Audited	Audited
<b>1</b>	<b>Income from Operations</b>					
	(a) Revenue from Operations	5,732	8,334	8,021	28,544	33,583
	(b) Other Income	479	64	770	776	1,821
	<b>Total Income</b>	<b>6,211</b>	<b>8,399</b>	<b>8,791</b>	<b>29,320</b>	<b>35,404</b>
<b>2</b>	<b>Expenses</b>					
	(a) Cost of material consumed	2,975	3,146	3,931	13,545	17,066
	(b) Purchase of stock-in-trade	163	158	240	672	746
	(c) Changes in inventories of Finished goods, work-in-progress and stock-in-trade	(118)	1,397	(63)	1,174	(189)
	(d) Job charges	137	171	217	690	1,105
	(e) Employee benefits expense	1,034	1,176	1,265	4,491	5,225
	(f) Finance costs	114	78	212	203	794
	(g) Depreciation and amortization expense	127	126	127	537	555
	(h) Other expenses	1,897	2,021	2,838	8,345	10,059
	<b>Total Expenses</b>	<b>6,329</b>	<b>8,273</b>	<b>8,765</b>	<b>29,658</b>	<b>35,362</b>
<b>3</b>	<b>Profit/(Loss) before exceptional items and tax</b>	<b>(118)</b>	<b>126</b>	<b>26</b>	<b>(339)</b>	<b>42</b>
<b>4</b>	Exceptional items	-	-	182	-	3,236
<b>5</b>	<b>Profit/(Loss) before tax</b>	<b>(118)</b>	<b>126</b>	<b>207</b>	<b>(339)</b>	<b>3,278</b>
<b>6</b>	<b>Tax Expense</b>					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-
<b>7</b>	<b>Profit/(Loss) for the period</b>	<b>(118)</b>	<b>126</b>	<b>207</b>	<b>(339)</b>	<b>3,278</b>
<b>8</b>	<b>Other Comprehensive Income</b>					
	Items that will not be reclassified to profit or loss :					
	-----Re-measurement losses on post employment defined benefit plans	(93)	-	(35)	(93)	(35)
	-----Income tax effect	-	-	-	-	-
<b>9</b>	<b>Total Comprehensive Income</b>	<b>(211)</b>	<b>126</b>	<b>172</b>	<b>(431)</b>	<b>3,243</b>
<b>10</b>	Earnings per share [EPS] (of Rs. 10/- each) (not annualised) (See Note - 11)					
	Basic and diluted EPS before Exceptional items [in Rs.]	(0.06)	0.07	0.01	(0.18)	0.02
	Basic and diluted EPS after Exceptional items [in Rs.]	(0.06)	0.07	0.11	(0.18)	1.71
<b>11</b>	Paid up share capital (par value Rs.10/- each, fully paid) (See Note - 11)	19,166	19,166	9,297	19,166	9,297
<b>12</b>	Other equity excluding revaluation reserve	-	-	-	3,057	13,370



**NOTES:**

- 1 These financial results have been reviewed by the Audit Committee and have been approved by the Board of Directors at their respective meetings held on 30th July, 2020.
- 2 The above results for the Quarter and Year ended on 31st March, 2020 have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other recognised accounting practices and policies to the extent applicable.
- 3 The format of the above results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated 30th November, 2015 has been modified to comply with the requirements of SEBI's Circular dated 5th July, 2016, Ind AS and Schedule III [Division II] to the Companies Act, 2013.
- 4 The figures of the quarter ended 31st March, 2020 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
- 5 During the year, a Scheme of Arrangement between Ashima Dyecot Private Limited, ("transferor company") with the Company in terms of the provisions of sections 230 to 232 read with Sections 66 and other applicable provisions of the Companies Act, 2013 was approved by the Hon. National Company Law Tribunal, Ahmedabad bench on 22nd July, 2020 and was made effective on 29th July, 2020 pursuant to filing of the scheme with the Registrar of Companies, Gujarat. The appointed date for the amalgamation is 1st April, 2019. The financials for the previous year 2018-19 have been restated so as to include financials of the transferor company in accordance with Indian Accounting Standard (IND-AS) 103, Business Combinations. The financials of all the periods reported above are stated as that of the merged entity.
- 6 The company has one segment of activity namely "Textiles".
- 7 The Company has adopted Ind AS 116 "Leases", effective 1st April, 2019 using the modified retrospective method in respect of its leases. This has resulted in recognising a right-of-use asset of Rs.89 lacs and lease liability of Rs. 101 lacs as on 1st April, 2019 and adjusting Rs. 12 lacs against opening balance of Retained Earnings. The impact of Ind AS 116 on financial performance for the current quarter and for the year ended 31st March, 2020 is not material.
- 8 Figures of previous periods have been regrouped / rearranged wherever necessary.
- 9 As regards deferred tax as per Ind AS-12 on "Income Taxes", there is a net deferred tax asset for the past years and for the period up to 31st March, 2020. As a matter of prudence, the company has not recognised the said deferred tax asset.
- 10 In March 2020, the WHO declared COVID-19 a global pandemic. Consequently, Government of India declared a nation-wide lockdown from 24th March 2020. This has an adverse impact on operational performance of the company and its financial position as a result of subdued activity in the textile market. Company has been facing liquidity crunch due to suspension of operations and is striving to manage its cashflows within the limitations.  
After lifting of the lockdown, The Company has resumed its business operations on a gradual basis in line with the guidelines issued by the Government authorities. The Company is waiting for the business conditions to improve and demand to pick up, so commencement of normal operations will take some more time.  
In light of these circumstances, the Company has considered the possible impacts of COVID-19 on the carrying amounts of its assets and liabilities. Accordingly, a provision has been made for Rs.197 lacs as diminution in value of finished goods stock and Rs.124 lacs as allowance for expected credit loss on receivables balances. The actual impact may vary, depending on future developments on Covid-19 front and its impact on the business of the company.  
While the overall impact of disruption in operations would be significant, the impact for the year ended 31st March 2020 was for a few days and is not possible to be quantified in terms of effect on profitability of the company. However, the Company does not anticipate any challenges in its ability to continue as going concern. the Company is closely monitoring the situation as it evolves in the future.
- 11 The details given above are after giving effect of merger in terms of cancellation and pending issue of new equity shares. EPS is calculated for all the periods based on aggregate paid up equity share capital including shares to be issued upon merger.
- 12 Figures are rounded off to the nearest Rupees in lacs.
- 13 The financial results of the Company are available at the websites of BSE Ltd. at [www.bseindia.com](http://www.bseindia.com), National Stock Exchange of India Ltd. at [www.nseindia.com](http://www.nseindia.com) and at [www.ashima.in](http://www.ashima.in).



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ASHIMA LIMITED  
STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2020

(Rs. in Lacs)

	Particulars	As at 31/03/2020 Audited	As at 31/03/2019 Audited
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non Current Assets</b>		
	Property, Plant and Equipment	13,835	13,624
	Capital work-in-progress	69	32
	Other Intangible Assets	26	31
	Financial Assets		
	(i) Investments	352	352
	(ii) Other Financial Assets	273	283
	Other Non-Current Assets	83	237
	Assets for Current Tax (Net)	599	633
	<b>Total Non-Current Assets</b>	<b>15,238</b>	<b>15,191</b>
<b>2</b>	<b>Current Assets</b>		
	Inventories	5,838	7,333
	Financial Assets		
	(i) Investments	1,276	1,126
	(ii) Trade Receivables	1,648	2,488
	(iii) Cash and cash equivalents	1,105	1,333
	(iv) Bank Balance other than Cash and Cash Equivalents	622	376
	(v) Loans	2,004	525
	(vi) Other Current Financial Assets	1,200	3,005
	Other Current Assets	833	674
	Non current Assets classified as held for sale	-	20
	<b>Total Current Assets</b>	<b>14,525</b>	<b>16,879</b>
	<b>TOTAL ASSETS</b>	<b>29,763</b>	<b>32,071</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
	(i) Equity Share Capital	19,166	9,297
	(ii) Other Equity	3,057	13,370
	<b>Total Equity</b>	<b>22,223</b>	<b>22,667</b>
<b>2</b>	<b>Non-Current Liabilities</b>		
	Financial Liabilities		
	(i) Borrowings	2,165	2,457
	(ii) Other Financial Liabilities	88	39
	Provisions	-	52
	<b>Total Non-Current Financial Liabilities</b>	<b>2,252</b>	<b>2,547</b>
<b>3</b>	<b>Current Liabilities</b>		
	Financial Liabilities		
	(i) Borrowings	-	34
	(ii) Trade Payables		
	Total outstanding dues of micro and small enterprises	-	-
	Total outstanding dues of creditors other than micro and small enterprises	3,854	5,401
	(iii) Other Financial Liabilities	1,225	940
	Other Current Liabilities	61	296
	Provisions	148	186
	<b>Total Current Liabilities</b>	<b>5,288</b>	<b>6,856</b>
	<b>Total EQUITY AND LIABILITIES</b>	<b>29,763</b>	<b>32,071</b>

AHMEDABAD  
30TH JULY 2020



For, ASHIMA LIMITED

*Chintan N. Parikh*  
CHINTAN N. PARIKH  
CHAIRMAN & MANAGING DIRECTOR

**ASHIMA LIMITED**  
**STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020**

Particulars	₹ in Lacs			
	Year ended March 31,			
	2020		2019	
<b>(A) Cash flow from Operating Activities</b>				
'Profit/(Loss) before Exceptional items and Tax		(339)		43
Adjustments for:				
Depreciation and impairment	537		555	
Interest and finance charges	160		744	
Interest income	(306)		(1,415)	
(Gain)/Loss on Property, Plant and Equipment sold/ discarded (net)	(291)		80	
(Gain)/Loss on Investment	(71)		(87)	
Bad debts / advances written off	-		-	
Liability no longer required written back	-		(144)	
Insurance claim received on Property Plant and Equipments	-	30	-	(266)
<b>Operating Profit before Working Capital Changes</b>		<b>(308)</b>		<b>(223)</b>
Adjustments for changes in working capital :				
(Increase)/decrease in trade receivables	840		(1,051)	
(Increase)/decrease in loans & advances and other assets	37		(53)	
(Increase)/decrease in inventories	1,495		(506)	
Increase/(decrease) in trade payables	(1,547)		(300)	
Increase/(decrease) in other liabilities and provisions	(160)	666	(307)	(2,217)
<b>Cash Generated from/(used in) Operations</b>		<b>357</b>		<b>(2,440)</b>
Income taxes paid		34		(111)
<b>Net Cashflow from Operating Activities</b>		<b>391</b>		<b>(2,551)</b>
<b>(B) Cash flow from investing Activities</b>				
Purchase of Property, Plant and Equipments	(808)		(171)	
Purchase of investment	(117)		(1,410)	
Proceeds from sale of Property, Plant and Equipments	2219		5,771	
Proceeds from sale of investment	38		39	
Proceeds from/(investment in ) bank deposits (with original maturity over 3 months)	(246)		(112)	
Interest received	246	<u>1332</u>	1,419	<u>5535</u>
<b>Net Cashflow from Investing Activities</b>		<b>1,332</b>		<b>5,535</b>
<b>(C) Cash flow from Financing Activities</b>				
Proceeds from (Repayment of) long term borrowings	(337)		(290)	
Proceeds from (Repayment of) short term borrowings	(34)		(5,200)	
Short Term Loans Given	(1,479)		5,053	
Effect on equity due to merger	-		(1,237)	
Interest and finance charges paid	(101)	(1,951)	(694)	(2,367)
<b>Net Cashflow from Financing Activities</b>		<b>(1,951)</b>		<b>(2,367)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(228)</b>		<b>617</b>
Add: Cash and bank balances at the beginning of the year		1,333		716
Cash and bank balances at the end of the year		1,105		1,333



*[Handwritten Signature]*

**ASHIMA LIMITED**  
**STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020**

₹ in Lacs

Cash and cash equivalents at the end of the year consist of cash on hand and balance with banks as follows:

Details of cash and cash equivalents	As at March 31,	
	2020	2019
Balances with banks in current accounts	1,095	1,321
Cash on hand	10	12
<b>Cash and cash equivalent as per note no. 12</b>	<b>1,105</b>	<b>1,333</b>

**NOTES:**

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows.
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.



For, ASHIMA LIMITED

CHINTAN N. PARIKH  
CHAIRMAN & MANAGING DIRECTOR

AHMEDABAD  
30TH JULY 2020

**Independent Auditors' Report on Annual Consolidated Financial Results and review of quarterly Consolidated financial results of Ashima Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

To,  
The Board of Directors,  
Ashima Limited  
Ahmedabad

**Opinion**

We have audited the accompanying statement of Consolidated financial results of Ashima Limited ['the Company'] and M/s Shardul Garments Private Limited [its associate] [together referred to as the "Group"], for the quarter and year ended on March 31, 2020 ['the Statement'] attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, r/ead with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016 as amended by SEBI Circular No. CIR/CFD/CMD1/44/2019 dated 29<sup>th</sup> March, 2019.

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

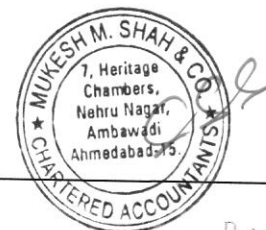
- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the year ended 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 Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial results 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 Matters**

We draw attention to Note 10 to the accompanying Consolidated financial statements, which describe management's assessment of uncertainty relating to the effects of the COVID-19 pandemic on the Company's operations and other related matters. Our opinion is not modified in respect of this matter.



### **Management's Responsibilities for the Consolidated Financial Results**

These quarterly financial results as well as the year to date Consolidated financial results have been prepared on the basis of the annual financial statements.

The Company's Board of Directors are responsible for the preparation of Consolidated financial results that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial results, the Board of Directors are responsible for assessing the Group'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 are also responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Results. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



ASHIMA LIMITED  
CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2020

(Rs. in Lacs)

	Particulars	As at 31/03/2020 Audited	As at 31/03/2019 Audited
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non Current Assets</b>		
	Property, Plant and Equipment	13,835	13,624
	Capital work-in-progress	69	32
	Other Intangible Assets	26	31
	Financial Assets		
	(i) Investments	219	219
	(ii) Other Financial Assets	273	283
	Other Non-Current Assets	83	237
	Assets for Current Tax (Net)	599	633
	<b>Total Non-Current Assets</b>	<b>15,105</b>	<b>15,058</b>
<b>2</b>	<b>Current Assets</b>		
	Inventories	5,838	7,333
	Financial Assets		
	(i) Investments	1,276	1,126
	(ii) Trade Receivables	1,648	2,488
	(iii) Cash and cash equivalents	1,105	1,333
	(iv) Bank Balance other than Cash and Cash Equivalents	622	376
	(v) Loans	2,004	525
	(vi) Other Current Financial Assets	1,200	3,005
	Other Current Assets	833	674
	Non current Assets classified as held for sale	-	20
	<b>Total Current Assets</b>	<b>14,525</b>	<b>16,879</b>
	<b>TOTAL ASSETS</b>	<b>29,630</b>	<b>31,937</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
	(i) Equity Share Capital	19,166	9,297
	(ii) Other Equity	2,924	13,237
	<b>Total Equity</b>	<b>22,090</b>	<b>22,534</b>
<b>2</b>	<b>Non-Current Liabilities</b>		
	Financial Liabilities		
	(i) Borrowings	2,165	2,457
	(ii) Other Financial Liabilities	88	39
	Provisions	-	52
	<b>Total Non-Current Financial Liabilities</b>	<b>2,252</b>	<b>2,547</b>
<b>3</b>	<b>Current Liabilities</b>		
	Financial Liabilities		
	(i) Borrowings	-	34
	(ii) Trade Payables		
	Total outstanding dues of micro and small enterprises	-	-
	Total outstanding dues of creditors other than micro and small enterprises	3,854	5,401
	(iii) Other Financial Liabilities	1,225	940
	Other Current Liabilities	61	296
	Provisions	148	186
	<b>Total Current Liabilities</b>	<b>5,288</b>	<b>6,856</b>
	<b>Total EQUITY AND LIABILITIES</b>	<b>29,630</b>	<b>31,937</b>

AHMEDABAD  
30TH JULY 2020



For, ASHIMA LIMITED

*Chintan N. Parikh*

CHINTAN N. PARIKH  
CHAIRMAN & MANAGING DIRECTOR



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

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

We did not audit the financial statements of associate, whose financial statements reflect total assets of Rs. 565.51 Lacs as at March 31, 2020, total revenues of Rs. 0.61 Lacs and net cash outflows amounting to Rs. 4.59 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of associate, and our report in terms of sub-sections (3) and (11) of section 143 of the Act, insofar as it relates to the aforesaid associate is based solely on the reports of the other auditors.

The Consolidated financial results include the results for the quarter ended 31<sup>st</sup> March, 2020 being the balance figures between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year. Our report on the statement is not modified in respect of this matter.

Place: Ahmedabad  
Date: 30<sup>th</sup> July, 2020

UDIN: 20102651AAAABM 7427



For Mukesh M. Shah & Co  
Chartered Accountants  
Firm Regn. No. 106625W

*Suvrat S. Shah*  
Suvrat S. Shah  
Partner  
Membership No. 102651

ASHIMA LIMITED  
 REGD. OFFICE: TEXCELLENCE COMPLEX, NEAR ANUPAM CINEMA, KHOKHARA AHMEDABAD-380 021, GUJARAT, INDIA  
 CIN : L99999GJ1982PLC005253  
 E.MAIL : texcellence@ashima.in # PHONE:91-79-67777000 # FAX:91-79-22773061

(Rs. in Lacs, except per share data)

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED ON 31ST MARCH, 2020

Sr.No.	Particulars	Quarter ended			Year ended	
		31/03/2020	31/12/2019	31/03/2019	31/03/2020	31/03/2019
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		Audited	Unaudited	Audited	Audited	Audited
<b>1</b>	<b>Income from Operations</b>					
	(a) Revenue from Operations	5,732	8,334	8,021	28,544	33,583
	(b) Other Income	479	64	770	776	1,821
	<b>Total Income</b>	<b>6,211</b>	<b>8,399</b>	<b>8,791</b>	<b>29,320</b>	<b>35,404</b>
<b>2</b>	<b>Expenses</b>					
	(a) Cost of material consumed	2,975	3,146	3,931	13,545	17,066
	(b) Purchase of stock-in-trade	163	158	240	672	746
	(c) Changes in inventories of Finished goods, work-in-progress and stock-in-trade	(118)	1,397	(63)	1,174	(189)
	(d) Job charges	137	171	217	690	1,105
	(e) Employee benefits expense	1,034	1,176	1,265	4,491	5,225
	(f) Finance costs	114	78	212	203	794
	(g) Depreciation and amortization expense	127	126	127	537	555
	(h) Other expenses	1,897	2,021	2,838	8,345	10,059
	<b>Total Expenses</b>	<b>6,328</b>	<b>8,273</b>	<b>8,765</b>	<b>29,658</b>	<b>35,362</b>
<b>3</b>	<b>Profit/(Loss) before share of Profit/(Loss) of associate and exceptional items and tax</b>	<b>(118)</b>	<b>126</b>	<b>26</b>	<b>(339)</b>	<b>42</b>
<b>4</b>	Share of Profit/(Loss) of Associate	(0)	(0)	5	0	(15)
<b>5</b>	<b>Profit/(Loss) before exceptional items and tax</b>					
<b>6</b>	Exceptional items	-	-	182	-	3,236
<b>7</b>	<b>Profit/(Loss) before tax</b>	<b>(118)</b>	<b>126</b>	<b>212</b>	<b>(338)</b>	<b>3,263</b>
<b>8</b>	<b>Tax Expense</b>					
	(a) Current tax	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-
<b>9</b>	<b>Profit/(Loss) for the period</b>	<b>(118)</b>	<b>126</b>	<b>212</b>	<b>(338)</b>	<b>3,263</b>
<b>10</b>	<b>Other Comprehensive Income</b>					
	Items that will not be reclassified to profit or loss :					
	-----Re-measurement losses on post employment defined benefit plans	(93)	-	(35)	(93)	(35)
	-----Income tax effect	-	-	-	-	-
<b>11</b>	<b>Total Comprehensive Income</b>	<b>(211)</b>	<b>126</b>	<b>177</b>	<b>(431)</b>	<b>3,228</b>
<b>12</b>	<b>Earnings per share [EPS] (of Rs. 10/- each) (not annualised) (See Note - 11)</b>					
	Basic and diluted EPS before Exceptional items [in Rs.]	(0.06)	0.07	0.01	(0.18)	0.02
	Basic and diluted EPS after Exceptional items [in Rs.]	(0.06)	0.07	0.11	(0.18)	1.70
<b>13</b>	<b>Paid up share capital (par value Rs.10/- each, fully paid) (See Note - 11)</b>	<b>19,166</b>	<b>19,166</b>	<b>9,297</b>	<b>19,166</b>	<b>9,297</b>
<b>14</b>	<b>Other equity excluding revaluation reserve</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,924</b>	<b>13,237</b>



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**ASHIMA LIMITED**  
**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020**

Particulars	₹ in Lacs			
	Year ended March 31,			
	2020		2019	
<b>(A) Cash flow from Operating Activities</b>				
'Profit/(Loss) before Exceptional items and Tax		(338)		28
Adjustments for:				
Depreciation and impairment	537		555	
Interest and finance charges	160		744	
Interest income	(306)		(1,415)	
(Gain)/Loss on Property, Plant and Equipment sold/ discarded (net)	(291)		80	
Share of (Profit)/Loss of Associate (Refer Note No 46)	(0)		15	
(Gain)/Loss on Investment	(71)		(87)	
Bad debts / advances written off	-		-	
Liability no longer required written back	-		(144)	
Insurance claim received on Property Plant and Equipments	-	30	-	(251)
<b>Operating Profit before Working Capital Changes</b>		(308)		(223)
<b>Adjustments for changes in working capital :</b>				
(Increase)/decrease in trade receivables	840		(1,051)	
(Increase)/decrease in loans & advances and other assets	37		(53)	
(Increase)/decrease in inventories	1,495		(506)	
Increase/(decrease) in trade payables	(1,547)		(300)	
Increase/(decrease) in other liabilities and provisions	(160)	666	(307)	(2,217)
<b>Cash Generated from/(used in) Operations</b>		357		(2,440)
Income taxes paid		34		(111)
<b>Net Cashflow from Operating Activities</b>		391		(2,551)
<b>(B) Cash flow from investing Activities</b>				
Purchase of Property, Plant and Equipments	(808)		(171)	
Purchase of investment	(117)		(1,410)	
Proceeds from sale of Property, Plant and Equipments	2219		5,771	
Proceeds from sale of investment	38		39	
Proceeds from/(investment in ) bank deposits (with original maturity over 3 months)	(246)		(112)	
Interest received	246	1332	1,419	5535
<b>Net Cashflow from Investing Activities</b>		1,332		5,535
<b>(C) Cash flow from Financing Activities</b>				
Proceeds from (Repayment of ) long term borrowings	(337)		(290)	
Proceeds from (Repayment of ) short term borrowings	(34)		(5,200)	
Short Term Loans Given	(1,479)		5,053	
Effect on equity due to merger			(1,237)	
Interest and finance charges paid	(101)	(1,951)	(694)	(2,367)
<b>Net Cashflow from Financing Activities</b>		(1,951)		(2,367)
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		(228)		617
Add: Cash and bank balances at the beginning of the year		1,333		716
Cash and bank balances at the end of the year		1,105		1,333



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**ASHIMA LIMITED**

**STATEMENT OF CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020**

Cash and cash equivalents at the end of the year consist of cash on hand and balance with banks as follows:

Details of cash and cash equivalents	₹ in Lacs	
	As at March 31,	
	2020	2019
Balances with banks in current accounts	1,095	1,321
Cash on hand	10	12
<b>Cash and cash equivalent as per note no. 12</b>	<b>1,105</b>	<b>1,333</b>

**NOTES:**

- 1) The above cash flow statement has been prepared as per the "Indirect method" set out in the Indian Accounting Standard (Ind AS) - 7 Statement of Cash Flows.
- 2) Figures in bracket indicate cash outflow.
- 3) Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.

AHMEDABAD  
30TH JULY 2020



For, ASHIMA LIMITED

*Chintan N. Parikh*

CHINTAN N. PARIKH  
CHAIRMAN & MANAGING DIRECTOR

**NOTES:**

- 1 These financial results have been reviewed by the Audit Committee and have been approved by the Board of Directors at their respective meetings held on 30th July, 2020.
- 2 The above results for the Quarter and Year ended on 31st March, 2020 have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other recognised accounting practices and policies to the extent applicable.
- 3 The format of the above results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated 30th November, 2015 has been modified to comply with the requirements of SEBI's Circular dated 5th July, 2016, Ind AS and Schedule III [Division II] to the Companies Act, 2013.
- 4 The figures of the quarter ended 31st March, 2020 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
- 5 During the year, a Scheme of Arrangement between Ashima Dyecot Private Limited, ("transferor company") with the Company in terms of the provisions of sections 230 to 232 read with Sections 66 and other applicable provisions of the Companies Act, 2013 was approved by the Hon. National Company Law Tribunal, Ahmedabad bench on 22nd July, 2020 and was made effective on 29th July, 2020 pursuant to filing of the scheme with the Registrar of Companies, Gujarat. The appointed date for the amalgamation is 1st April, 2019. The financials for the previous year 2018-19 have been restated so as to include financials of the transferor company in accordance with Indian Accounting Standard (IND-AS) 103, Business Combinations. The financials of all the periods reported above are stated as that of the merged entity.
- 6 The company has one segment of activity namely "Textiles".
- 7 The Company has adopted Ind AS 116 "Leases", effective 1st April, 2019 using the modified retrospective method in respect of its leases. This has resulted in recognising a right-of-use asset of Rs.89 lacs and lease liability of Rs. 101 lacs as on 1st April, 2019 and adjusting Rs. 12 lacs against opening balance of Retained Earnings. The impact of Ind AS 116 on financial performance for the current quarter and for the year ended 31st March, 2020 is not material.
- 8 Figures of previous periods have been regrouped / rearranged wherever necessary.
- 9 As regards deferred tax as per Ind AS-12 on "Income Taxes", there is a net deferred tax asset for the past years and for the period up to 31st March, 2020. As a matter of prudence, the company has not recognised the said deferred tax asset.
- 10 In March 2020, the WHO declared COVID-19 a global pandemic. Consequently, Government of India declared a nation-wide lockdown from 24th March 2020. This has an adverse impact on operational performance of the company and its financial position as a result of subdued activity in the textile market. Company has been facing liquidity crunch due to suspension of operations and is striving to manage its cashflows within the limitations.  
After lifting of the lockdown, The Company has resumed its business operations on a gradual basis in line with the guidelines issued by the Government authorities. The Company is waiting for the business conditions to improve and demand to pick up, so commencement of normal operations will take some more time.  
In light of these circumstances, the Company has considered the possible impacts of COVID-19 on the carrying amounts of its assets and liabilities. Accordingly, a provisions has been made for Rs.197 lacs as diminution in value of finished goods stock and Rs.124 lacs as allowance for expected credit loss on receivables balances. The actual impact may vary, depending on future developments on Covid-19 front and its impact on the business of the company.  
While the overall impact of disruption in operations would be significant, the impact for the year ended 31st March 2020 was for a few days and is not possible to be quantified in terms of effect on profitability of the company. However, the Company does not anticipate any challenges in its ability to continue as going concern. the Company is closely monitoring the situation as it evolves in the future.
- 11 The details given above are after giving effect of merger in terms of cancellation and pending issue of new equity shares. EPS is calculated for all the periods based on aggregate paid up equity share capital including shares to be issued upon merger.
- 12 Figures are rounded off to the nearest Rupees in lacs.
- 13 The Consolidated results include results of an associate company accounted for using the equity method.
- 14 The financial results of the Company are available at the websites of BSE Ltd. at [www.bseindia.com](http://www.bseindia.com), National Stock Exchange of India Ltd. at [www.nseindia.com](http://www.nseindia.com) and at [www.ashima.in](http://www.ashima.in).



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