



ISO 9001:2015 REGISTERED FIRM

**SANRHEA**  
TECHNICAL TEXTILES LIMITED

Date: 25.07.2020

**BSE limited**

Department of Corporate Services  
P J Towers, Dalal Street,  
Mumbai - 400001.

**Security Code : 514280**

Dear Sir/Madam

**Subject : Outcome of Board Meeting**

We hereby informed that Board of Directors of the Company at its meeting held on Saturday the July 25, 2020, inter alia, have approved and taken on record following:

1. The Audited Financial Results of the Company and the Audited Report thereon for the quarter / year ended on March 31, 2020.

Kindly take the same on your record.


Yours Faithfully.

**For, Sanrhea Technical Textiles Limited**

**Dharmesh Patel**  
(Company Secretary)



I. Audited Financial Results for the Year/Quarter ended on 31/03/2020						
Sr. No.	Particulars	3 months ended on 31/03/2020	Previous 3 months ended on 31/12/2019	Corresponding 3 months ended on 31/03/2019	Year to date figure for current period ended on 31/03/2020	Year to date figure for Corresponding period ended on 31/03/2019
		Unaudited	Unaudited	Unaudited	Audited	Audited
		(Refer Note 7)		(Refer Note 7)		
<b>1</b>	<b>Income From Operations</b>					
	(a) Sales/ Income from Operations	735.36	818.59	1068.73	3431.44	4591.61
	(b) Other Income	-	4.29	20.58	6.18	29.80
	<b>Total Income from operations (net)</b>	<b>735.36</b>	<b>822.88</b>	<b>1089.31</b>	<b>3437.62</b>	<b>4621.41</b>
<b>2</b>	<b>Expenses</b>					
	(a) Cost of materials consumed	449.74	573.66	806.07	2439.25	3400.15
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(5.03)	(38.77)	(61.08)	(118.48)	(85.01)
	(c) Purchase of stock-in-trade	-	-	-	-	-
	(d) Employee benefits expenses	134.09	102.15	83.19	426.10	373.95
	(e) Finance Costs	39.03	33.12	36.75	134.71	115.14
	(f) Depreciation and amortisation expenses	32.99	24.70	6.23	90.89	81.19
	(g) Other expenses	152.72	126.85	182.06	528.24	576.36
	<b>Total expenses</b>	<b>803.54</b>	<b>821.71</b>	<b>1053.22</b>	<b>3500.71</b>	<b>4461.78</b>
<b>3</b>	<b>Profit / (Loss) from operations before exceptional items and tax (1-2)</b>	<b>(68.18)</b>	<b>1.17</b>	<b>36.09</b>	<b>(63.09)</b>	<b>159.63</b>
4	Exceptional items	-	-	-	-	-
<b>5</b>	<b>Profit/(Loss) from ordinary activities before tax (3-4)</b>	<b>(68.18)</b>	<b>1.17</b>	<b>36.09</b>	<b>(63.09)</b>	<b>159.63</b>
6	Tax Expense					
	Current Tax	(1.60)	0.56	15.21	-	48.74
	Deferred Tax Liabilities / (Assets)	34.84	(1.94)	(4.17)	35.40	(6.55)
	Short /(Excess) tax provision of earlier years	0.46	-	-	0.46	0.00
<b>7</b>	<b>Net Profit /(Loss)from ordinary activities after tax (5-6)</b>	<b>(101.88)</b>	<b>2.55</b>	<b>25.05</b>	<b>(98.95)</b>	<b>117.44</b>
8	Extraordinary Items (net of tax expenses)	-	-	-	-	-
<b>9</b>	<b>Net Profit /(Loss)for the period (7-8)</b>	<b>(101.88)</b>	<b>2.55</b>	<b>25.05</b>	<b>(98.95)</b>	<b>117.44</b>
<b>10</b>	<b>Total Other Comprehensive Income / (loss) for the period (net of tax)</b>					
	a) Items that will not be reclassified to Profit and Loss					
	- Remeasurement of Defined benefits plan	(10.97)	(0.86)	(5.73)	(13.55)	3.43
	- Tax Expense on above item	2.85	0.22	1.49	3.52	(0.89)
	b) Items that will be classified to Profit and Loss	-	-	-	-	-
<b>11</b>	<b>Total Comprehensive Income/ (Loss) for the Period (9+10)</b>	<b>(115.70)</b>	<b>3.19</b>	<b>29.29</b>	<b>(108.98)</b>	<b>119.98</b>
12	Paid-up equity share capital [ Face Value Rs.10/- ]	379.00	379.00	379.00	379.00	379.00
13	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	196.80	305.78
14(i)	Earning per Share (EPS) before extraordinary items (not annualised)					
	(a) Basic	(2.69)	0.07	0.66	(2.52)	3.30
	(b) Diluted	(2.69)	0.07	0.66	(2.52)	3.17
14(ii)	Earning per Share (EPS) after extraordinary items (not annualised)					
	(a) Basic	(2.69)	0.07	0.66	(2.52)	3.30
	(b) Diluted	(2.69)	0.07	0.66	(2.52)	3.17

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 ARPIT PATEL & ASSOCIATES

  
 P. Patel




II. Statement of Assets and Liabilities			
( ₹ In Lakh)			
Sr. No.	PARTICULARS	31/03/2020 Audited	31/03/2019 Audited
<b>A</b>	<b>ASSETS</b>		
	<b>Non Current Assets</b>		
	a) Property, Plant & Equipment	626.36	396.45
	b) Right to use	5.28	-
	c) Other Intangible Assets	0.05	0.09
	d) Financial Assets		
	i) Investments	4.96	4.96
	ii) Other financial assests	11.80	22.65
	e) Other non-current assets	7.44	6.76
	f) Deferred tax assets (net)	21.68	53.56
	g) Other assets	17.05	185.75
<b>1</b>	<b>Total Non-current assets</b>	<b>694.62</b>	<b>670.22</b>
	<b>Current Assets</b>		
	a) Inventories	849.62	628.52
	b) Financial investments		
	i) Trade receivables	692.63	818.14
	ii) Cash and cash equivalents	30.95	18.42
	iii) Other Bank Balances	13.48	4.38
	iv) Other Financial Assets	41.36	71.87
	c) Other current assets	20.44	19.33
<b>2</b>	<b>Total Current assets</b>	<b>1,648.48</b>	<b>1,560.66</b>
	<b>Total (1+2)</b>	<b>2,343.10</b>	<b>2,230.88</b>
<b>B</b>	<b>EQUITY AND LAIBILITIES</b>		
	<b>Equity</b>		
	i) Equity Share Capital	379.00	379.00
	ii) Other Equity	196.80	305.78
<b>1</b>	<b>Total Equity</b>	<b>575.80</b>	<b>684.78</b>
	<b>Liabilities</b>		
	<b>Non-Current Liabilities</b>		
	a) Financial Liabilities		
	i) Borrowings	172.06	142.28
	b) Provisions	75.51	55.58
<b>2</b>	<b>Total Non-Current Liabilities</b>	<b>247.57</b>	<b>197.86</b>
	<b>Current Liabilities</b>		
	a) Financial Liabilities		
	i) Borrowings	882.00	930.97
	ii) Trade Payable	542.01	318.78
	iii) Other Financial Liabilities	57.64	32.76
	b) Other Current Liabilities	18.51	14.01
	c) Provisions	19.57	16.44
	d) Liabilities for Current Tax (net)	-	35.28
<b>3</b>	<b>Total Current Tax Liabilities</b>	<b>1,519.73</b>	<b>1,348.24</b>
<b>4</b>	<b>Total Liabilities (2+3)</b>	<b>1,767.30</b>	<b>1,546.10</b>
	<b>Total Equity And Liabilities (1+4)</b>	<b>2,343.10</b>	<b>2,230.88</b>



*P. Patel*

SAMBHEA TECHNICAL TEXTILES LTD.

<b>SANRHEA TECHNICAL TEXTILES LIMITED</b>		
<b>Statement of Audited Cash flow for the period ended 31/03/2020</b>		
<b>(₹ In Lakh)</b>		
<b>Particulars</b>	<b>Period ended 31.03.2020</b>	<b>Period ended 31.03.2019</b>
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	(76.64)	159.62
Adjustments to reconcile profit before tax to net cash flows:		
(Gain)/Loss on Sale/Discard of property, plant and equipment & Capital Work-in-Progress (net)	(1.44)	(7.87)
Depreciation and amortisation expense	90.89	81.19
Dividend Income	(0.30)	(0.24)
Interest income and fair value changes in financial instruments	(2.78)	(2.79)
Rent paid on leased asset	-	-
Provision for doubtful debts (net)	-	-
Excess provision & sundry balances written back	-	-
Interest expense	134.71	115.14
<b>Operating Profit before working capital changes</b>	<b>144.44</b>	<b>345.05</b>
<b>Working capital adjustments:</b>		
Decrease / (increase) in Other Current Financial assets	30.99	(23.06)
Decrease / (increase) in Other current assets	(1.11)	(5.95)
Decrease/(increase) in trade receivables	125.51	88.17
Decrease/(increase) in inventories	(221.11)	(113.42)
Increase/(Decrease) in other current liabilities	4.50	(8.36)
Increase/(Decrease) in Other Current Financial liabilities	(0.69)	1.41
Increase/(Decrease) in trade and other payables	223.22	(134.95)
Increase / (decrease) in long-term provisions	19.93	6.97
Increase / (decrease) in short-term provisions	3.13	(1.32)
Decrease/(increase) in other non current financial assests	10.84	21.61
Decrease/(increase) in other Non current assets	168.71	(158.24)
<b>Cash generated from operations</b>	<b>508.36</b>	<b>17.91</b>
Direct taxes paid (net)	(36.41)	(13.70)
<b>Net Cash (used in) generated from operating activities</b>	<b>471.95</b>	<b>4.21</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets and intangible assets (including CWIP and capital advances)	(332.46)	(207.81)
Proceeds from sale of fixed assets	23.71	16.07
Sale/(Purchase) of investments (net)	-	-
Interest received	2.30	3.38
Dividends received	0.30	0.24
Margin Money for more than 3 months but less than 12 months	(9.10)	(4.38)
<b>Net Cash (used in) / generated from investing activities</b>	<b>(315.25)</b>	<b>(192.50)</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term borrowings	27.17	76.80
Repayment from long-term borrowings	23.28	(27.34)
Proceeds from short-term borrowings	(48.97)	249.24
Interest paid	(134.95)	(114.14)
Share warrants money received	-	13.23
Payment of Principal portion of Lease Obligation	(10.70)	
<b>Net Cash (used in)/generated from financing activities</b>	<b>(144.17)</b>	<b>197.79</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>12.53</b>	<b>9.50</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>18.42</b>	<b>8.92</b>
<b>Cash and cash equivalents at year end</b>	<b>30.95</b>	<b>18.42</b>
<b>Cash &amp; Cash Equivalent comprise of:</b>		
Cash on hand	8.03	0.81
With banks- on current account	1.14	1.78
With banks- on Margin Money Fixed Deposits with maturity of less than 3 months	21.78	15.83
<b>Total Cash and cash equivalents at the end of the year</b>	<b>30.95</b>	<b>18.42</b>

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**ARPIT PATEL & ASSOCIATES**


IV.	Notes
1	The above financial results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on July 25, 2020.
2	The financial results are prepared in accordance with the Indian Accounting Standards ("Ind AS"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.
3	The Company has adopted Ind AS 116 "Leases" effective from April 1, 2019 for its lease contracts existing on that date by following the "prospective method" resulting into a recognition of Right of Use Asset of Rs 15.65 Lakhs and a Lease Liability of the equivalent amount. The impact of financial reporting of Ind AS 116 in the current quarter and for the year ended March 31, 2020 is not material. The Comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.
4	The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. COVID-19 has caused interruption in production, supply chain disruption, unavailability of personnel, etc. during last week of March, 2020 and thereafter. Partial resumption of production and dispatch has commenced from second half of May, 2020. The management of the Company has exercised due care in concluding significant accounting judgements and estimates in preparation of the financial results. In assessing the recoverability of Trade receivables, the Company has considered subsequent recoveries, past trends, credit risk profiles of the customers and internal and external information available up to the date of issuance of these financial results. In assessing the recoverability of inventories, the Company has considered the latest selling prices, customer orders on hand and margins. Based on the above assessment, the Company is of the view that the carrying amounts of Trade receivables and inventories are expected to be realizable to the extent shown in the financial results except Trade receivables mentioned in note no. 5. The impact of COVID-19 may be different from the estimates as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to the future economic conditions. The Company has availed moratorium upto August 31, 2020 in repayment of principal and interest payment for outstanding term loan of Rs. 43.73 Lakhs and interest on cash credit facilities amounting to Rs. 16.92 lakhs, respectively.
5	Unsecured Trade receivables includes Rs. 30.36 lakhs outstanding beyond two year, which are being pursued for recovery by the company. Statutory auditor's report has been modified in respect of this matter. Management believes, the amount will be recovered over period of time and at this stage is not able to quantify the short fall, if any that may arise in the recovery.
6	Segment reporting as defined in accounting standard 108 is not applicable as company only operate under one segment i.e. Industrial Fabric. Hence segment reporting is not given.
7	The figures for the last quarter are the balancing figures between audited figures in respect of the full financial year up to March 31, 2020 and unaudited published year-to-date figures up to December 31, 2019, being the date of the end of the third quarter of the financial year which were subjected to limited review.
8	Previous period figures have been regrouped/reclassified, wherever necessary, to conform to current period's classification.

PLACE : AHMEDABAD

DATE : 25.07.2020

For, SANRHEA TECHNICAL TEXTILES LIMITED



*P. Patel*

MANAGING DIRECTOR

## Independent Auditor's Report

To  
The Board of Directors of  
Sanrhea Technical Textiles Limited.

## Report on the audit of the annual financial results

### Qualified Opinion

We have audited the accompanying statement of year to date annual financial results of Sanrhea Technical Textiles Limited (the "Company"), for the year ended March 31, 2020 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in "Basis for Qualified Opinion" section of our report, the aforesaid annual financial results:

- a. is presented in accordance with the requirements of Regulation 33 and 52 of the Listing Regulations in this regard; and
- b. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss, other comprehensive loss, and other financial information of the Company for the year ended March 31, 2020.

### Basis for Qualified Opinion

We draw attention to Note 5 of the Statement, regarding the Management's contention about the recoverability of the Trade Receivables mentioned therein. We have not been able to substantiate the Management's contention regarding the carrying value of Trade Receivables aggregating to INR 30.36 lakh outstanding beyond 2 years. Accordingly, we are unable to comment on the appropriateness of the carrying value of such Trade Receivables and their consequential impact on the financial results and the financial position of the Company as at and for the year ended March 31, 2020.

Our audit report for the previous year ended March 31, 2019 and our review report for the quarter ended June 30, 2019, September 30, 2019, and December 31, 2019, were also qualified in respect of this matter.

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

## Emphasis of Matter

We draw attention to Note 4 of the Statement which describes the Management's evaluation of COVID-19 impact on the future performance of the Company. Our opinion is not modified in respect of this matter.

## Management and Board of Directors' Responsibilities for the annual financial results

The Statement has been prepared on the basis of the annual financial statements. The Management and the Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive loss of the Company and other financial information in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement, that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, 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.

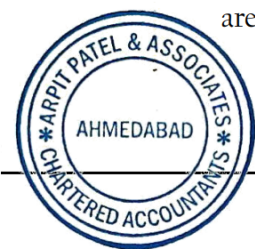
The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

## Auditor's Responsibilities for the Audit of the annual financial results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for



expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 Statement 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 Statement, including the disclosures, and whether the Statement represents 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.

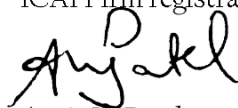
## Other Matters

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of 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, as required under the Listing Regulations.

For Arpit Patel & Associates

Chartered Accountants

ICAI Firm registration number: 144032W



Arpit K. Patel

Partner

Membership No.: 034032

Place: Ahmedabad

Date: July 25, 2020

UDIN: 20034032AAAACC9383



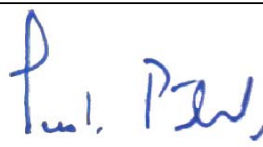

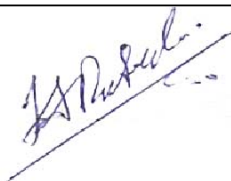






**Statement on Impact of Audit Qualifications (for audit report with modified opinion)  
submitted along-with Annual Audited Financial Results**

(Rs. In Lakh)

<b>Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020</b> [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
<b>I</b>	<b>Sr. No.</b>	<b>Particulars</b>	<b>Audited Figures (as reported before adjusting for qualification)</b>	<b>Audited Figures (as reported after adjusting for qualification)</b>
	1	Turnover/ Total Income	3437.62	Not Ascertainable [Refer Note II(E)(ii)]
	2	Total Expenditure	3500.71	Not Ascertainable [Refer Note II(E)(ii)]
	3	Net Profit/ (Loss)	(63.09)	Not Ascertainable [Refer Note II(E)(ii)]
	4	Earnings per Share (Rs.)	(2.52)	Not Ascertainable [Refer Note II(E)(ii)]
	5	Total Assets	2343.10	Not Ascertainable [Refer Note II(E)(ii)]
	6	Total Liabilities	2343.10	Not Ascertainable [Refer Note II(E)(ii)]
	7	Net Worth	575.80	Not Ascertainable [Refer Note II(E)(ii)]
	8	Any other financial item(s) (as felt appropriate by Management)	-	-
<b>II</b>	<b>Audit Qualification (each Audit Qualification separately)</b>			
	A	Details of Audit Qualification:	Independent Auditor's report on Financial Statements  As mentioned in Note no. 5 of the Statement, we are unable to substantiate the management's assertion regarding recoverability of these receivables and therefore are unable to determine the effect of any adjustment that may be required in relation to the recoverability of these amounts.	
	B	Type of Audit Qualification:	Qualified Opinion	
	C	Frequency of qualification:	Qualification II(a) has been included for the first time during the year ended 31 March 2020.	
	D	For Audit Qualification(s) where the impact is quantified by the auditor,	-	




		Management's Views:	
	E	For Audit Qualification(s) where the impact is not quantified by the auditor:	-
		(i) Management's estimation on the impact of audit qualification:	-
		(ii) If management is unable to estimate the impact, reasons for the same:	Management is actively working with intermediary body to pressurise and recover the receivables. We are hopeful of recovering the same in the coming year.
		(iii) Auditors' Comments on (i) or (ii) above:	Included in details of auditor's qualification stated above. [Please refer note II(A)]
<b>III</b>		<b>Signatories</b>	
		<b>Tushar Patel</b> Managing Director	 
		<b>Jasubhai Patel</b> CFO	 
		<b>Miten Mehta</b> Audit Committee Chairman	 
		Statutory Auditor <b>For Arpit Patel &amp; Associates</b> Chartered Accountants ICAI Firm registration number: 144032W <b>Arpit K. Patel</b> Partner Membership No.: 034032	

Place : Ahmedabad  
Date : 25<sup>th</sup> July, 2020