



SHIVA TEXYARN LIMITED

Regd. Office : 252, Mettupalayam Road, Coimbatore - 641 043, Tamilnadu INDIA

Telephone : 0422 - 2435555 E-mail : shares@shivatex.co.in

Website : www.shivatex.co.in CIN : L65921TZ1980PLC000945 GSTRN : 33AABCA6617M1Z0

STYL/SEC/SE/241/2019-20

11th November 2019

To

| | |
|--|---|
| The Manager Listing Department National Stock Exchange of India Limited "Exchange Plaza", Bandra-Kurla Complex Bandra (East), Mumbai 400 051 Scrip Code : SHIVATEX | BSE Limited Floor 25 Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001 Scrip Code :- 511108 |
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Dear Sir,

SUB:- OUTCOME OF BOARD MEETING AND ANNOUNCEMENT PURSUANT TO THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015

Pursuant to the provisions of the Listing Regulations, we wish to inform you that the Board of Directors of the Company at its meeting held on **Monday, 11th November 2019** has inter-alia considered the following:-

1. Approved the Un-Audited Financial Results of the Company for the quarter ended 30-09-2019 together with the Limited Review Report issued by our Statutory Auditors M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Coimbatore. The copies of the same are enclosed herewith.
2. Gave In-principle approval for the acquisition of 4,000 Equity Shares of M/s. L K Distributors Private Ltd subject to applicable provisions. Details pursuant to Regulation 30 of the Listing Regulations are annexed herewith.

The Board Meeting commenced at **12.00 P.M** and concluded at 2.20 P.M.

Kindly take on record the above.

Thanking you

Yours faithfully

For Shiva Texyarn Limited


R. SRINIVASAN
Company Secretary
M.No.21254



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Details of Acquisition of Equity Shares of M/s. L K Distributors Private Limited

| S.NO | Particulars | Details |
|------|---|--|
| a) | Name of the target entity, details in brief such as size, turnover etc.; | L K DISTRIBUTORS PRIVATE LIMITED (LKDPL) Turnover as on 31.03.2019 Rs.154.65 Lakhs Profit After Tax as on 31.03.2019 Rs.165.75 Lakhs |
| b) | Whether the acquisition would fall within related party transaction(s) And whether the promoter/promoter group/group companies have any Interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"; | The proposed acquisition of 4000 equity shares does not fall within the definition of related party transactions. Dr S V Kandasami –Director and Sri S K Sundararaman –Managing Director of the acquiring company are also Directors of the target company (LKDPL), therefore, Promoters have an interest in the transaction. The transaction is done at arm's length price. |
| c) | Industry to which the entity being acquired belongs; | The target company is engaged in the business of wind power generation. |
| d) | Objects and effects of acquisition (including but not limited to, disclosure Of reasons for acquisition of target entity , if its business is outside the main line of business of the listed entity); | The proposed acquisition is to fulfil the criteria of "Captive Consumer" and to utilise the power generated by the target entity. |
| e) | Brief details of any governmental or regulatory approvals required for the Acquisition; | Not Applicable |
| f) | Indicative time period for completion of the acquisition; | 6 months |
| g) | Nature of consideration – whether cash consideration or share swap and details of the same; | Cash |

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| | | |
|----|---|--|
| h) | Cost of acquisition or the price at which the shares are acquired; | Will be as per the Fair Valuation |
| i) | Percentage of shareholding / control acquired and / or number of shares acquired; | The proposal is for acquiring up to 40% of paid-up capital of the target entity |
| j) | Brief background about the entity acquired in terms of products/ line of Business acquired date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief); | <u>Products/Line of Business</u> <ul style="list-style-type: none">• Wind Power generation <u>Date of Incorporation</u> <ul style="list-style-type: none">• 01.03.2013 <u>Turnover of last three years</u> <u>2016-17 - NIL</u> <u>2017-18 – Rs.158.13 Lacs</u> <u>2018-19 - Rs.154.65 Lacs</u> |



STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30.09.2019

(Rs.in lakhs Except earnings per share data)

| Sl No | PARTICULARS | Quarter ended | | | Six months ended | | | Year ended |
|-------|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|------------------|
| | | 30.09.2019 (Unaudited) | 30.06.2019 (Unaudited) | 30.09.2018 (Unaudited) | 30.09.2019 (Unaudited) | 30.09.2018 (Unaudited) | 31.03.2019 (Audited) | |
| I | Income from operations : | | | | | | | |
| | Revenue from operations | 9,567.68 | 8,457.08 | 9,388.63 | 18,024.76 | 11,113.88 | 17,981.66 | 35,353.22 |
| | Other income | 16.95 | 18.31 | 17.86 | 35.26 | 172.42 | 37.34 | 113.00 |
| | Total income | 9,584.63 | 8,475.39 | 9,406.49 | 18,060.02 | 11,286.30 | 18,019.00 | 35,466.22 |
| II | Expenses | | | | | | | |
| | a) Cost of materials consumed | 6,042.41 | 5,355.70 | 5,895.38 | 11,398.11 | 11,113.88 | 11,113.88 | 22,366.29 |
| | b) Purchases of stock in trade | 296.46 | 64.97 | 114.91 | 361.43 | 172.42 | 172.42 | 217.87 |
| | c) Changes in inventories of finished goods/WIP/stock in trade | (152.12) | (466.52) | (469.23) | (618.64) | (771.77) | (771.77) | (1,415.05) |
| | d) Employees benefits expense | 1,031.76 | 1,037.87 | 1,164.35 | 2,069.63 | 2,247.31 | 2,247.31 | 4,182.35 |
| | e) Finance costs | 579.84 | 550.71 | 533.89 | 1,130.55 | 1,061.28 | 1,061.28 | 2,165.31 |
| | f) Depreciation and amortisation expenses | 358.89 | 357.84 | 349.68 | 716.73 | 691.08 | 691.08 | 1,336.21 |
| | g) Other expenses | 1,344.81 | 1,513.70 | 1,400.18 | 2,858.51 | 2,950.72 | 2,950.72 | 5,812.75 |
| | Total expenses | 9,502.05 | 8,414.27 | 8,989.15 | 17,916.32 | 17,464.91 | 17,464.91 | 34,665.73 |
| III | Profit before tax | 82.58 | 61.12 | 417.34 | 143.70 | 554.09 | 554.09 | 800.49 |
| IV | Tax expense | | | | | | | |
| | Current tax | 18.52 | - | 89.64 | 18.52 | 121.85 | 121.85 | 162.94 |
| | Deferred tax | (33.97) | (10.58) | (0.11) | (44.55) | (1.28) | (1.28) | (32.74) |
| V | Profit after tax | 98.03 | 71.70 | 327.81 | 169.73 | 433.52 | 433.52 | 670.29 |
| VI | Other comprehensive income/(loss) | 2.63 | (0.31) | 0.78 | 2.32 | (2.76) | (2.76) | (30.93) |
| VII | Total comprehensive income | 100.66 | 71.39 | 328.59 | 172.05 | 430.76 | 430.76 | 639.36 |
| VIII | Paid up Equity Share Capital (Face value Rs 10/- each) | 1,296.27 | 1,296.27 | 1,296.27 | 1,296.27 | 1,296.27 | 1,296.27 | 1,296.27 |
| IX | Reserves excluding revaluation reserves (as per audited balance sheet of previous year) | | | | | | | 9,903.46 |
| X | Earnings per share (not annualised for quarters) | | | | | | | |
| | i) Basic | 0.76 | 0.55 | 2.53 | 1.31 | 3.34 | 3.34 | 5.17 |
| | ii) Diluted | 0.76 | 0.55 | 2.53 | 1.31 | 3.34 | 3.34 | 5.17 |



SHIVA TEXYARN LIMITED
STATEMENT OF ASSETS AND LIABILITIES

(Rs. In lakhs)

| Particulars | As at 30.09.2019 | As at 31.03.2019 |
|---|------------------|------------------|
| | Unaudited | Audited |
| ASSETS | | |
| (1) Non-current assets | | |
| (a) Property, plant and equipment | 19,999.39 | 20,053.88 |
| (b) Intangible assets | 58.28 | 67.62 |
| (c) Capital work-in-progress | 2.42 | - |
| (d) Intangible assets under development | 335.70 | 335.70 |
| (e) Investment property | 3.20 | 3.23 |
| (f) Financial assets | | |
| (i) Investments | 65.06 | 65.83 |
| (g) Other non-current assets | 2,465.65 | 2,503.23 |
| Total non-current assets | 22,929.70 | 23,029.49 |
| (2) Current assets | | |
| (a) Inventories | 8,799.76 | 8,043.00 |
| (b) Financial assets | | |
| (i) Trade receivables | 5,549.75 | 4,993.74 |
| (ii) Cash & cash equivalents | 855.97 | 1,177.57 |
| (iii) Loans | 88.26 | 110.39 |
| (iv) Others financial assets | 139.98 | 159.63 |
| (c) Other assets | 1,008.64 | 834.66 |
| Total current assets | 16,442.36 | 15,318.99 |
| TOTAL ASSETS (1+2) | 39,372.06 | 38,348.48 |
| EQUITY AND LIABILITIES | | |
| 1 Equity | | |
| (a) Equity share capital | 1,296.27 | 1,296.27 |
| (b) Other equity | 9,873.97 | 9,903.46 |
| Total equity | 11,170.24 | 11,199.73 |
| Liabilities | | |
| (2) Non-current liabilities | | |
| (a) Financial liabilities | | |
| (i) Borrowings | 6,668.78 | 7,756.45 |
| (b) Provisions | 32.46 | 59.46 |
| (c) Deferred tax liabilities (Net) | 3,868.79 | 3,913.34 |
| Total non-current liabilities | 10,570.03 | 11,729.25 |
| (3) Current liabilities | | |
| (a) Financial liabilities | | |
| (i) Borrowings | 11,394.57 | 9,745.61 |
| (ii) Trade payables | | |
| a. Total outstanding dues of micro enterprises and small enterprises | 5.72 | 37.00 |
| b. Total outstanding dues of creditors other than micro enterprises and small enterprises | 2,993.90 | 2,838.21 |
| (iii) Other financial liabilities | 3,030.77 | 2,617.77 |
| (b) Provisions | - | - |
| (c) other current liabilities | 206.83 | 180.91 |
| Total current liabilities | 17,631.79 | 15,419.50 |
| TOTAL EQUITY AND LIABILITIES (1+2+3) | 39,372.06 | 38,348.48 |



SHIVA TEXYARN LIMITED
STATEMENT OF CASH FLOWS

(Rs. In lakhs)

| Particulars | Six months ended 30.09.2019 | Six months ended 30.09.2018 |
|---|--------------------------------|--------------------------------|
| | Unaudited | Unaudited |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before taxes for half year ended | 143.70 | 554.09 |
| Adjustments for: | | |
| Depreciation and amortisation expenses | 716.70 | 691.01 |
| Depreciation on investment property | 0.03 | 0.07 |
| Profit on sale of assets | 0.23 | (0.21) |
| Finance costs | 1,130.55 | 1,061.28 |
| Interest income | (14.87) | (15.59) |
| Dividend income | (0.26) | - |
| Bad debts recovered | (3.00) | - |
| Rental income | (33.10) | (38.25) |
| | 1,796.28 | 1,698.31 |
| Operating profit before working capital changes | 1,939.98 | 2,252.41 |
| Changes in working capital: | | |
| Adjustments for (increase) / decrease in operating assets: | | |
| Financial Assets | | |
| Trade receivables | (553.01) | (657.28) |
| Loans | 22.13 | (18.46) |
| Other financial assets | 0.41 | (108.67) |
| Margin money deposits | 195.63 | (77.61) |
| Non-financial assets | | |
| Inventories | (756.76) | (677.22) |
| Other assets | 29.08 | (152.43) |
| Adjustments for increase / (decrease) in operating liabilities: | | |
| Financial liabilities | | |
| Trade payables | 124.41 | (402.45) |
| Other financial liabilities | 276.42 | (129.16) |
| Non-financial liabilities | | |
| Provisions | (27.00) | 94.27 |
| Other liabilities | 25.93 | 116.16 |
| | (662.76) | (2,012.85) |
| Cash generated from operations | 1,277.22 | 239.55 |
| Net income tax paid | (115.80) | (190.23) |
| Net cash flow from operating activities (A) | 1,161.42 | 49.32 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Capital expenditure on property plant and equipment, including capital advances | (438.47) | (500.52) |
| Sale of other investments | 3.11 | 5.00 |
| Proceeds from sale of fixed assets | 0.10 | - |
| Interest received | 9.10 | 18.03 |
| Rent received | 33.10 | 38.25 |
| Dividend received | 0.26 | - |
| Net cash flow used in investing activities (B) | (392.80) | (439.24) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Repayment of non-current borrowings | (1,253.05) | (1,391.86) |
| Increase / (decrease) in working capital borrowings | 1,648.96 | 2,968.51 |
| Payment of dividend including tax thereon | (171.90) | (207.40) |
| Finance costs paid | (1,118.61) | (1,112.47) |
| Net cash flow from / (used in) financing activities (C) | (894.60) | 256.78 |



| | | |
|---|---------------|---------------|
| Net decrease in cash and cash equivalents (A+B+C) | (125.98) | (133.14) |
| Add: Cash and cash equivalents at the beginning of the year | 444.12 | 393.86 |
| Cash and cash equivalents at the end of the year * | 318.14 | 260.72 |
| Reconciliation of Cash and Cash Equivalents with the Balance Sheet: | | |
| Cash and cash equivalents as per Balance Sheet | 855.97 | 830.83 |
| Less: Bank balances not considered as cash and cash equivalents, as defined in Ind AS 7 Cash Flow Statements: | | |
| (i) In earmarked accounts | | |
| - Margin money deposits | (510.18) | (540.89) |
| - Unpaid dividends account | (27.65) | (29.22) |
| Cash and cash equivalents as per Cash Flow Statement | 318.14 | 260.72 |
| * Comprises: | | |
| (a) Cash on hand | 7.24 | 9.90 |
| (b) Cheques/Drafts on Hand | 70.00 | 18.25 |
| (c) Balances with banks: | | |
| (d) In current accounts | 240.90 | 232.57 |
| Total | 318.14 | 260.72 |



NOTES:

1. These unaudited financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on November 11, 2019. The statutory auditors have reviewed the financial results and given unmodified opinion.
2. The Company is primarily engaged in the manufacturing of Textile and related products, which in the context of Ind AS 108 "Operating Segments" is considered the only significant business segment.
3. The Company has adopted Ind AS 116 "Leases with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 "leases" and related interpretation and guidance. On transition to Ind AS 116, Right-of-use assets as at April 1, 2019 for leases previously classified as operating leases were recognised and measured at an amount equal to lease liability (adjusted for related prepayments / accruals), as a result, the comparative information has not been restated. The Company has discounted lease payments using the incremental borrowing rate as at April 1, 2019 for measuring the lease liability.

On transition to Ind AS 116, the Company recognized Right-of-use asset amounting to Rs.218.70 lakhs and a lease liability of Rs.248.34 lakhs in the financials. During the half year ended 30 September 2019, the company has recognized interest expense on leases amounting to Rs.9.26 lakhs and depreciation on right-of-use assets amounting to Rs. 53.56 lakhs in the financial results.

4. Previous period figures have been regrouped and reclassified wherever necessary.
5. The Company elected not to exercise the option permitted under section 115BAA of the Income tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income tax for the half year ended September 30, 2019 using the erstwhile rates.
6. The comparative cash flow information of the Company for the half year ended September 30, 2018 included in this Statement have not been subjected to the limited review by the statutory auditors.

For SHIVA TEXYARN LIMITED



S K SUNDARARAMAN
MANAGING DIRECTOR
DIN 00002691

Coimbatore
November 11, 2019

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF SHIVA TEXYARN LIMITED

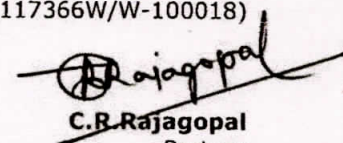
1. We have reviewed the accompanying Statement of Unaudited Financial Results of **SHIVA TEXYARN LIMITED** ("the Company"), for the Quarter and half year ended September 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 Institute of Chartered Accountants of India. 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 Standards on Auditing specified under section 143(10) of the Companies Act, 2013 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.

Attention is drawn to **Note 6** of the Statement which states that the statement of cash flows for the corresponding six months ended September 30, 2018, as reported in the accompanying Statement have been approved by the Company's Board of Directors, but have not been subjected to review.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)




C.R. Rajagopal
Partner

Membership No. 023418
UDIN: 19023418AAAADW1630

Place : Coimbatore
Date : November 11, 2019