



# Adinath Textiles Limited

Regd. Office & Works : Village Bholapur, P.O. Sahabana,  
Chandigarh Road, Ludhiana - 141 123 India

CIN: L17115PB1979PLC003910  
Tel # : 0161-6574125, 2685270  
Mob. # : 98761-00948  
E-mail : atl@shreyansgroup.com  
website : www.adinathtextiles.com

ATL/SCY/2020-21/55

29.07.2020

Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400 001

## SUBJECT: OUTCOME OF BOARD MEETING HELD ON 29<sup>TH</sup> JULY, 2020

### 1. Financial Results:

The Board has approved the audited financial results for the quarter and year ended 31<sup>st</sup> March, 2020 in terms of the provisions of Regulation 33 of the SEBI (LODR) Regulations, 2015. (Copy of the Financial Results and Auditor's Report enclosed)

### 2. Declaration:

We do hereby confirm that the Statutory Auditors of the Company have issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company for the year ended 31<sup>st</sup> March, 2020.

### 3. Auditors:

The Board has appointed M/s P. S. Bathla & Associates (C.P. no. 2585) as Secretarial Auditors of the Company for the Financial Year 2020-21.

### 4. Trading Window:

The closure of the trading window as intimated to the Stock Exchange earlier will continue till 48 hours after the declaration of financial results for the quarter ended 30<sup>th</sup> June, 2020.

The meeting of the Board commenced at 2.30 P.M. and concluded at 4.05 P.M.

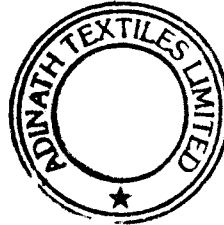
You are requested to take the same on your records.

Thanking you,

Yours Faithfully,

FOR ADINATH TEXTILES LIMITED

PARMINDER SINGH  
COMPANY SECRETARY AND COMPLIANCE OFFICER  
ACS- 43115  
Encl.: a/a



## BRANCH OFFICES :-

- 5 A-D, Gopala Tower, 25 Rajendra Place, New Delhi-110 008. Tel # 011-25721042, 25732104 Fax # 91-11-25752271 E-mail : sil.delhi@shreyansgroup.com  
 912, Hub Town, Viva Building, 9th Floor, Shankar Wadi, Western Express Highway, Jogeshwari (East), Mumbai - 400 060. Tel. #: 022-67084631

**ADINATH TEXTILES LIMITED**  
**REGD. OFFICE: VILLAGE BHOLAPUR**  
**P.O. SAHABANA, CHANDIGARH ROAD, LUDHIANA - 141 123**  
**CIN L17115PB1979PLC003910**

**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020**

(Rs. in lacs)

SNO	PARTICULARS	Quarter ended			Year ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Un-audited	Audited	Audited	Audited
I	Revenue from Operations	(15.67)	0.80	24.86	0.00	74.47
II	Other income	38.73	35.02	34.25	138.71	117.32
III	<b>Total income (I+II)</b>	<b>23.06</b>	<b>35.82</b>	<b>59.11</b>	<b>138.71</b>	<b>191.79</b>
IV	<b>Expenses</b>					
	Cost of materials consumed	-	-	-	-	-
	Changes in inventories of finished goods, Stock in trade and Work in-progress	-	-	-	-	-
	Excise Duty	-	-	-	-	-
	Employee benefits expense	15.69	16.52	24.11	66.82	102.92
	Finance costs	(3.98)	1.37	1.46	0.12	5.83
	Depreciation and amortisation expense	4.45	4.61	5.14	18.96	20.54
	Other expenses					
	-Power & Fuel Expense	(0.21)	5.32	8.85	19.39	39.38
	-Manufacturing Exp.	(1.71)	0.13	1.17	0.00	6.67
	-Others	(5.17)	21.69	40.18	33.28	78.20
	<b>Total expenses</b>	<b>9.07</b>	<b>49.64</b>	<b>80.91</b>	<b>138.57</b>	<b>253.54</b>
V	<b>Profit / (Loss) before exceptional items and tax (III-IV)</b>	<b>13.99</b>	<b>(13.82)</b>	<b>(21.80)</b>	<b>0.14</b>	<b>(61.75)</b>
VI	Exceptional items	-	-	-	-	-
VII	<b>Profit / (Loss) before tax (V-VI)</b>	<b>13.99</b>	<b>(13.82)</b>	<b>(21.80)</b>	<b>0.14</b>	<b>(61.75)</b>
VIII	<b>Tax Expense</b>					
	-Current Tax	0.00	-	-	-	-
	-Deferred Tax	0.55	(4.17)	(10.82)	(1.77)	(16.16)
IX	<b>Profit / (Loss) for the period from continuing operations (VII-VIII)</b>	<b>13.44</b>	<b>(9.65)</b>	<b>(10.98)</b>	<b>1.91</b>	<b>(45.59)</b>
X	Profit / (Loss) from discontinued operations	(8.73)	-	-	(8.73)	-
XI	<b>Profit / (Loss) for the period (IX+X)</b>	<b>4.71</b>	<b>(9.65)</b>	<b>(10.98)</b>	<b>(6.82)</b>	<b>(45.59)</b>
XII	<b>Other Comprehensive income</b>					
	-Items that will not be reclassified to profit or loss	0.74	-	0.63	0.74	0.63
	- Income tax relating to items that will not be reclassified to profit or loss	(0.19)	-	(0.16)	(0.19)	(0.16)
	<b>Total Other Comprehensive income</b>	<b>0.93</b>	<b>-</b>	<b>0.79</b>	<b>0.93</b>	<b>0.79</b>
XIII	<b>Total Comprehensive income for the period (XI+XII) (Comprising Profit (Loss) and other Comprehensive Income for the period)</b>	<b>5.64</b>	<b>(9.65)</b>	<b>(10.19)</b>	<b>(5.89)</b>	<b>(44.80)</b>
XIV	Paid-up Equity share capital (Face Value of Rs. 10/- each)	681.44	681.44	681.44	681.44	681.44
XV	Other Equity as per balance sheet	-	-	-	(578.24)	(572.35)
XVI	<b>Earnings per share for continuing operations (not annualised)</b>					
	(a) Basic (Rs)	0.20	(0.14)	(0.16)	0.03	(0.67)
	(b) Diluted (Rs)	0.20	(0.14)	(0.16)	0.03	(0.67)
XVII	<b>Earnings per share for discontinued operations (not annualised)</b>					
	(a) Basic (Rs)	(0.13)	-	-	(0.13)	-
	(b) Diluted (Rs)	(0.13)	-	-	(0.13)	-
XVIII	<b>Earnings per share for discontinued operations and continuing operations (not annualised)</b>					
	(a) Basic (Rs)	0.07	(0.14)	(0.16)	(0.10)	(0.67)
	(b) Diluted (Rs)	0.07	(0.14)	(0.16)	(0.10)	(0.67)



STATEMENT OF ASSETS AND LIABILITIES		
	(Rs. in lacs)	
	As at 31.03.2020 (Audited)	As at 31.03.2019 (Audited)
<b>ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Property, Plant and Equipment	97.99	155.75
(b) Financial Assets		
i Investments	49.95	48.60
(c) Deffered Tax Asset (Net)	2.84	0.87
(d) Other Non Current Assets	9.67	9.67
<b>Total Non-current assets</b>	<b>160.45</b>	<b>214.89</b>
<b>2 Current assets</b>		
(a) Inventories	1.05	1.57
(b) Financial Assets		
i Trade receivables	27.79	35.47
ii Cash and Cash equivalents	11.08	14.83
iii Bank Balances other than ii above	79.45	37.92
(c) Current tax assets (net)	-	-
(d) Other current assets	43.59	33.93
<b>Total Current assets</b>	<b>162.96</b>	<b>123.72</b>
<b>TOTAL ASSETS</b>	<b>323.41</b>	<b>338.61</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share capital	699.44	699.44
(b) Other Equity	(578.24)	(572.35)
<b>Total Equity</b>	<b>121.20</b>	<b>127.09</b>
<b>Liabilities</b>		
<b>1 Non-current liabilities</b>		
(a) Financial Liabilities		
i Borrowings	-	-
ii Other Financial Liabilites	0.73	0.67
(b) Provisions	16.53	16.89
(c) Deferred tax liabilities (net)	-	-
<b>Total Non-current liabilities</b>	<b>17.26</b>	<b>17.56</b>
<b>2 Current liabilities</b>		
(a) Financial Liabilities		
i Trade payables		
a) total outstanding dues of micro enterprises and small enterprises	-	0.11
b) total outstanding dues of creditor other than i(a) above	5.56	5.65
ii Other financial liabilities	126.24	135.35
(b) Other current liabilities	47.25	46.18
(c) Provisions	5.90	6.67
<b>Total Current liabilities</b>	<b>184.95</b>	<b>193.96</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>323.41</b>	<b>338.61</b>



**CASH FLOW STATEMENT**

*(Rs. in lacs)*

		2019-20		2018-19	
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	Profit/(Loss) Before Exceptional items & tax		(8.45)		(61.46)
	<b>Adjustment For Non Cash &amp; Non Operating Items:-</b>				
	Depreciation and amortisation expences	19.75		20.54	
	Interest Income	(0.33)		(0.27)	
	Financial Expenses	0.12		5.83	
	(Loss)/Profit on Sale & Discard of PPE	9.05		2.99	
	Allowance for doubtful/credit loss for trade receivables and advances written back	0.00		30.59	
	Gain on fair valuation of investments	(1.35)		(1.43)	
	Rental Income	(133.80)		(114.00)	
		(106.56)	(106.56)	(55.75)	(55.75)
	<b>Operating Profit Before Working Capital Changes</b>		<b>(115.01)</b>		<b>(117.21)</b>
	<b>Adjustment For Changes in Working Capital:-</b>				
	Increase/(Decrease) in Trade Recievable	8.42		(3.54)	
	(Increase)/Decrease in Other Current Assets	(9.66)		3.77	
	Increase/Decrease in Other Non Current Assets	0.00		(1.14)	
	(Increase)/Decrease in Trade Payables	(0.20)		2.28	
	(Increase)/ Decrease in other Current Liabilities	1.07		0.97	
	Increase /(Decrease) in Current Provisions	(0.76)		(13.15)	
	(Increase)/Decrease in Non-Current Provisions	(0.36)		0.45	
	(Increase)/Decrease in Other Financial Liabilities	(9.11)		8.83	
		(10.61)	(10.61)	(1.53)	(1.53)
	<b>Cash Flow From Operating Activities Before Exceptional items &amp;</b>		<b>(125.62)</b>		<b>(118.74)</b>
	Direct Taxes Paid	(0.15)		(0.30)	
		(0.15)	(0.15)	(0.30)	(0.30)
	<b>Net Cash Used in Operating Activities</b>		<b>(125.77)</b>		<b>(119.04)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	Purchase Of Fixed Assets	(1.65)		(15.19)	
	Sale Of Fixed Assets	31.13		0.50	
	Rental Income	133.80		114.00	
	Interest Income	0.33		0.27	
	<b>Net Cash Generated from Investing Activities</b>	<b>163.61</b>	<b>163.61</b>	<b>99.58</b>	<b>99.58</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>				
	Repayment Of Long Term Borrowings	0.00		0.00	
	Financial Expenses	(0.06)		(5.78)	
	<b>Net Cash Generated from/(used in) Financing Activities</b>	<b>(0.06)</b>	<b>(0.06)</b>	<b>(5.78)</b>	<b>(5.78)</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>37.78</b>		<b>(25.24)</b>
	Opening Cash and Cash Equivalents		52.75		77.99
	Closing Cash and cash Equivalents		90.53		52.75

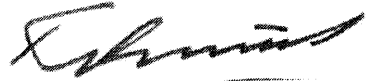


**Notes:**

- 1 The Company has only one reportable segment viz. Textiles.
- 2 The figures for the quarter ended 31st March, 2020 and 31st March, 2019 are the balancing figures between audited figures in respect of full financial year and the published 'year to date' figures upto the third quarter of the relevant financial years. The figures for the previous periods have been regrouped/rearranged wherever necessary.
- 3 Effective April 1 2019, the company has adopted Indas 116'' leases'', applied to lease contracts existing on April 1, 2019. Company classify its contracts as Operating lease where company does not transfer substantially all the risk and rewards of ownership of an asset. Rental income from operating lease is recognized as revenue in the period in which they are earned in compliance with the requirement of Indas -116. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned. Rental income from Factory building given on operating lease can be renewed by the mutual consent of the parties after the expiry date.
- 4 The Company has discontinued its operations during the FY 2019-20 and the income of Rs. 15.66 Lacs and expenses of Rs. 24.39 Lacs relating to the discontinued period have been shown under the head "Profit/(Loss) for the year from discontinued operations" as per Indian Accounting Standards. Therefore, the expenses relating to continued operations have been segregated accordingly. As the figures for the quarter ended 31st March, 2020 are the balancing figures between Audited figures in respect of full financial year and the published 'year to date' figures up to the third quarter of the relevant financial years, some of the expense balances comes out in negative.
- 5 In view of outbreak of Corona virus disease 2019 (COVID-19) which has been declared as a pandemic by World Health Organization and subsequent lockdown imposed by the Central and State Government(s) in India, the Company is closely monitoring the impact of this pandemic and believes that there has been no significant adverse impact on its financial position for the financial year ended 31st March, 2020 as its manufacturing plant located at Village Bholapur, Chandigarh Road, Ludhiana had already been closed prior to imposition of lockdown.
- 6 Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 29th July, 2020. The statutory auditors have audited the financial statements for the year ended 31st March, 2020 and have expressed an unmodified/unqualified opinion.

**For and on behalf of the Board**



  
(Rajneesh Oswal)  
Chairman & Managing Director  
DIN: 00002668

Date: 29.07.2020  
Place: Ludhiana

CHARTERED ACCOUNTANTS

**Independent Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,as amended .**

To  
The Board of Directors,  
Adinath Textiles Limited.

**Opinion**

We have audited the quarterly financial results of Adinath Textiles Limited ("the Company") for the quarter ended March ,2020 and the year to date results for the period 01/04/2019 To 31/03/2020 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,as amended("the listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

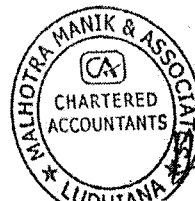
- i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- ii. Gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other principles generally accepted in India of the loss, total comprehensive loss and other financial information of the Company for the year ended March 31, 2020

**Basis for opinion**

We conducted our audit in accordance with the auditing standards on Auditing (SAs) specified under section 143(10) of the companies Act , 2013("the Act").Our responsibility under those Standards are further described in the Auditor's Responsibility for the Audit of the Interim financial Results section of our report. We are independent of the company in accordance with the code of Ethics issued by the ICAI together with the Ethical requirements that are relevant to our audit of the interim financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other responsibility in accordance with these requirements and the ICAI 's Code of Ethics .We believe that the audit of evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion .

**Management Responsibility for the Interim Financial Results**

These financial Results,which is the responsibility of the Companies 's Management and approved by the Board of Directors ,has been compiled from the related audited interim financial statements. The company 's Board of Directors are responsible for the preparation and presentation of the interim financial results that give a true and fair view of the net profits and other comprehensive income and other financial information in accordance with Indian Accounting Standards 34 " Interim Financial Reporting "("Ind as 34 ") 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 the assets of the company and for preventing and detecting frauds and other irregularities ; selection and application of



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 interim financial results that give a true and fair view and are free from material misstatement ,whether due to fraud or error.

In preparing the interim financial results , the Board of Directors are responsible for assessing the Company's ability o continue as a going concern ,disclosing ,as applicable ,matters related t 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 responsible for overseeing the financial reporting process of the Company

### Auditor's Responsibility for the audit of the Financial Statement

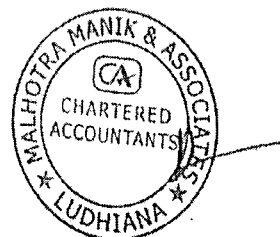
Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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 those Interim 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 standalone 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 financial controls 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 effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the interim 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 standalone financial results , including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial results that, individually or in aggregate ,makes it probable that the economic decision of a\*reasonably knowledgeable user of the interim financial results may be influenced . We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the



effect of any identified misstatements in the interim financial results. .

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

- i. Due to Covid-19 lockdown , we were unable to observe the management assessment of impact of Covid-19 on the carrying amount of property ,plant and equipment ,Investment ,receivables and other current assets .However ,we have performed alternate procedures to audit the management's assessment about the same ,which includes inquiry and observation regarding the location of fixed assets and any changes in value of existing assets , recalculating prior and current depreciation expense , checking the accuracy of the records and performing analytical procedure on the expenses and current year account balance to issue our unmodified opinion on these financial results .
- ii. The Statement includes the results for the quarter ended March 31 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to limited review by us , as required under the Listing Regulations.

Our opinion on the Statement is not modified in respect of the above matters.

For Malhotra Manik & Associates

Chartered Accountants

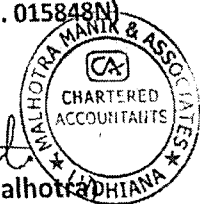
(Firm Registration No. 015848N)

*Manik Malhotra*  
( CA. Manik Malhotra )

Partner

M.No.094604

UDIN- 20094604AAAAA49019



Place : Ludhiana

Date : 29/07/2020