



## S.R. Industries Limited

CIN: L29246PB1989PLC009531  
Regd. Off.: E-217, Industrial Area, Phase 8B  
Mohali, Punjab - 160071  
Website: [www.srfootwears.com](http://www.srfootwears.com)  
Email: [info@srfootwears.com](mailto:info@srfootwears.com)  
Tel: +91 172 4602888

Date: July 27, 2020

To,  
**BSE Limited**  
Corporate Services,  
Piroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai - 400 001  
Listing: <http://listing.bseindia.com>

Ref: Scrip code: 513515 Scrip ID: SRIND

Dear Sir,

**Subject: Outcome of Board Meeting pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015**

We hereby inform that at a meeting of the Board of Directors of the Company held today, considered and adopted the financial results for the quarter and year ended March 31<sup>st</sup>, 2020. The financial results along with the Report of Statutory Auditors on the financial results are annexed herewith. We confirm that the Auditor's Report is with modified opinion in respect of the Audited Financial Results of the Company for the year ended on March 31, 2020.

The meeting commenced at 01:30 pm and concluded at 02:30 pm.

This is for your information and necessary records please.

Thanking you,  
Yours faithfully,  
For S. R. Industries Limited

Amit Mahajan  
Chief Financial Officer

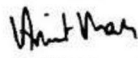
SR INDUSTRIES		
Registered Office: E-217, INDUSTRIAL AREA, PHASE 8-B, MOHALI Punjab ( CIN: L29246PB1989PLC009531)		
BALANCE SHEET AS ON 31st MARCH, 2020		
STATEMENT OF ASSETS AND LIABILITIES		Rs. In Lakh
PARTICULARS	As at	As at
	March 31, 2020	March 31, 2019
<b>ASSETS</b>		
<b>(A) NON CURRENT ASSETS</b>		
i. Property, Plant and Equipment	1854.29	2020.56
ii. Capital Work-in-Progress		
iii. Intangible Assets		
iv. Investment Property		
v. Intangible Assets under Development		
vi. Biological Assets Other Than Bearer Plants		
<b>vii. Financial Assets</b>		
(a) Investments		
(b) Trade Receivables		
(c) Loans		
(d) Others	12.79	14.59
viii. Deferred Tax Assets (Net)		
ix. Other Non-Current Assets		
x. Prepayments		
<b>(B) CURRENT ASSETS</b>		
i. Inventories	343.90	675.65
<b>ii. Financial Assets</b>		
(a) Investments		
(b) Trade Receivables	563.83	996.87
(c) Cash & Cash Equivalents	56.78	13.05
(d) Bank Balance other than (c) above	10.86	9.88
(e) Loans	167.43	369.42
(f) Others	7.15	144.64
iii. Current Tax Assets (Net)		
iv. Other Current Assets		
v. Prepayments	0.00	0.00
<b>Total Assets</b>	<b>3017.04</b>	<b>4244.66</b>
<b>EQUITY AND LIABILITIES</b>		
<b>(C) EQUITY</b>		
i. Equity Share capital	1964.57	1964.57
<b>ii. Other Equity</b>		
(a) Equity Component of Compound Financial Instrument	981.11	981.11
(b) Reserve & Surplus	-5304.76	-4646.06
(c) Other Reserves	172.69	172.69
<b>(D) LIABILITIES</b>		
<b>Non Current Liabilities</b>		
<b>i. Financial Liabilities</b>		
(a) Borrowings	821.61	888.96
(b) Trade payables		
(c) Other Financial Liabilities		
ii. Provisions	59.07	66.89
iii. Deferred Income	114.57	129.42
iv. Deferred Tax Liabilities (Net)	0.00	86.02
v. Other Non-Current Liabilities	124.45	267.90
<b>Current Liabilities</b>		
<b>i. Financial Liabilities</b>		
(a) Borrowings	2201.90	2194.10
(b) Trade payables	620.65	941.02
(c) Other Financial Liabilities	1161.06	1097.33
ii. Other Current Liabilities		
iii. Provisions	85.28	85.74
iv. Deferred Income	14.85	14.97
v. Current Tax Liabilities (Net)		
<b>Total Equity &amp; Liabilities</b>	<b>3017.04</b>	<b>4244.66</b>

Place: Mohali  
Date: 27 July 2020

For S R Industries Ltd  
*Amit Mahajan*  
Amit Mahajan  
Director (Commercial)  
DIN: 0038593

**S.R. INDUSTRIES LIMITED**  
**REGD. OFFICE : E-217, INDUSTRIAL AREA, PHASE 8-B, MOHALI, PUNJAB**  
**(CIN : L29246PB1989PLC009531) (WEB : www.srfootwears.com)**

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

		Rs. in Lakhs					
S.NO.	Particulars	AUDITED	UNAUDITED	AUDITED	AUDITED	AUDITED	
		Quarter ended			Year to date		Year Ended
		31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019	
I	Revenue from Operations	252.98	316.52	468.07	1683.10	2524.04	
II	Other Income	150.15	9.97	1.88	215.43	92.13	
III	Total Revenue (I + II)	403.13	326.49	470.55	1898.53	2616.17	
IV	EXPENSES						
a	Cost of Raw Materials Consumed	29.58	226.29	876.12	1006.53	2067.44	
b	Changes in inventories of Finished Goods, Work-in-progress and stock-in-trade	81.02	(10.28)	402.40	144.18	525.39	
c	Sub-Contract and Labour payments	57.41	43.01	90.22	319.54	458.05	
d	Employee benefits expenses	0.00			208.71	518.44	
e	Financial costs	-42.27	77.23	177.80	213.09	215.83	
f	Depreciation & Amortisation expenses	49.05	50.88	69.02	697.49	833.20	
g	Other Expenditure	400.41	58.81	83.97	2651.44	4819.35	
	Total Expenses	574.21	445.94	1699.53	752.92	2003.18	
V	Profit/(Loss) before extra-ordinary items and tax/(tax)	(171.08)	(119.45)	(1228.98)	(752.92)	(2003.18)	
VI	Extraordinary Income/(Expense)	0.00	0.00	0.00	0.00	0.00	
VII	Profit/(Loss) before tax	(171.08)	(119.45)	(1228.98)	(752.92)	(2003.18)	
VIII	Tax expenses						
	Current Tax	(88.08)	0.00	268.17	(88.08)	268.17	
	Deferred Tax	(259.16)	(119.45)	(960.81)	(654.84)	(1735.01)	
IX	Profit/(Loss) after tax	(259.16)	(119.45)	(960.81)	(654.84)	(1735.01)	
X	OTHER COMPREHENSIVE INCOME						
a	Re-measurement gain/(losses) on defined benefit plans	0.70	2.02	1.63	8.20	8.54	
b	Income tax effect	(2.08)	0.00	(2.22)	(2.08)	(2.22)	
c	Items that will be reclassified to Profit & Loss	0.00	0.00	0.00	0.00	0.00	
d	Income tax relating to items that will be reclassified to Profit & Loss	0.00	0.00	0.00	0.00	0.00	
XI	Net Profit/(Loss) after tax	(260.52)	(117.43)	(961.40)	(654.70)	(1728.69)	
XII	Paid-up equity share capital (Face value of the Share Rs 10/- each)	1964.57	1964.57	1964.57	1964.57	1964.57	
XIII	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	0.00	0.00	0.00	0.00	0.00	
XIV	Earnings Per Share of Rs 10/- each (not annualised)						
	(a) Basic	(1.33)	(0.80)	(4.89)	(3.35)	(8.80)	
	(b) Diluted	(1.33)	(0.80)	(4.89)	(3.35)	(8.80)	
Notes :-	<p>1 The above is an extract of the detailed format of financial result filed with the Stock Exchange under Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015. The Full format of the audited financial results are available on the Stock exchange website (www.bseindia.com) and on Company's website (www.srfootwears.com)</p> <p>2 The company has prepared these standalone financial results in accordance with the Companies(Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013</p> <p>3 The statutory auditors have carried out the audit for the year ended 31-03-2020. The figures for the fourth quarter are the balancing figures between the audited figures in respect of the full financial year and published figures up to the third quarter of the current financial year which were subject to limited review</p> <p>4 Figures of the previous periods have been regrouped/reclassified/restated wherever necessary</p> <p>5 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 27-07-2020</p> <p>6 The Banks have classified the accounts of the Company as NPA and issued notice under SARFAESI Act, 2002. As the entire amount has been called back, the same has been classified as Current Liability</p> <p>7 During the year State Bank of India, one banker out of two has approved the scheme of One Time Settlement vide Sanction Letter No SMB/CHD/T-1/1920 dated 11-02-2020, the approval of other bank (Uco Bank) is awaited. However the Company and the promoters could not fulfill its commitment to repay in time as per terms of OTS sanction</p> <p>8 The Management of the Company has written off book debts net amounting Rs. 295.51 Lakhs, Balance with revenue authorities amounting to Rs 6.15 Lakhs and creditors amounting Rs 140.03 Lakhs</p> <p>9 GST Returns and books of accounts are subject to reconciliation and the differences, if any will be dealt in GST Annual Return</p> <p>10 The Company has not provided for the interest in the current year on borrowings from State Bank of India due to approval of OTS Scheme. Therefore the losses of the company are understated by Rs. 165.10 Lakhs</p> <p>11 The Companies have an option to pay corporate income tax @22% excluding applicable surcharge and cess subject to certain conditions with effect from financial year commencing from 1st April 2019 as per section 115BAA of the Income Tax Act, 1961. The Company has opted for 22% tax rate</p> <p>12 The Company did have some impact on sales and operations in March 2020. Since the business sentiment started getting affected from early March, many of the customers delayed the pending orders which adversely affected March and onward sales. Even production and logistics were affected due to different states imposing curbs on movement of people and goods in March</p> <p>13 During the year the Company opted for SVLDRS scheme (Sakia Vishwas Legacy Dispute Resolution Scheme), 2019 issued by Excise Department due to which liability in four cases out of six cases of Central Excise stands discharged</p> <p>14 The Company has accumulated losses of Rs 5304.76 Lakhs resulting in Negative Net Worth of Rs 2186.39 Lakhs</p>						
	Place Mohali Date: 27 July 2020	 Armit Mahajan Director (Commercial)				DIN: 00038593	

**S R INDUSTRIES**  
**Registered Office: E-217, INDUSTRIAL AREA, PHASE B-B, MOHALI**  
**Punjab ( CIN: L29246PB1989PLC009531)**  
**CASHFLOW STATEMENT**

In Lak

Particulars	Note No.	31-03-2020	31-03-2019
<b>A Cash Flow from Operating activities</b>			
1 Profit before Tax		-752.92	-2,003.19
2 Adjustments to reconcile Profit before Tax to Net cash Flows:			
Depreciation and amortisation Expense		213.99	216.83
Bad debts and advances written off, allowance for doubtful trade		298.37	-
Interest Income		-1.10	-17.48
Finance Costs		208.71	518.44
Liabilities/ Provisions Written back due to Actuarial Gain/(Loss)		8.20	8.54
		<b>728.17</b>	<b>726.33</b>
3 Operating Profit before working capital adjustments (1+2)		-24.75	-1,276.85
4 Working capital adjustments:			
Trade and other receivables and prepayments		335.92	338.87
(Increase)/Decrease in Inventories		331.74	1,125.12
Increase/(Decrease) Trade and other payables and Provisions		-347.04	154.47
		<b>320.62</b>	<b>1,618.45</b>
5 Cash generated from Operations (3+4)		295.87	341.59
6 Taxes (Paid) /Refund		-	-
7 Net Cash Flows from Operating Activities (5-6)		295.87	341.59
<b>B Cash Flow from Investing activities:</b>			
Purchase of Property, Plant and Equipment(PPE)		-47.73	-42.96
Proceeds from fixed deposits matured during the year		-0.99	-0.61
Interest Income		1.10	17.48
Net cash used in Investing activities:		<b>-47.61</b>	<b>-26.09</b>
<b>C Cash Flow from financing activities:</b>			
Increase/(Decrease) in Equity Share Capital		-	575.75
Increase/(Decrease) in Capital Reserve		-	37.50
Increase/(Decrease) in Repayments of Term Loans		-	-483.23
Increase/(Decrease) in Repayments of Cash Credit		-100.94	-136.20
Increase/(Decrease) in Interest accrued and due on Cash Credit		108.75	44.17
Increase/(Decrease) in Interest accrued and due on TL		63.73	72.16
Increase/(Decrease) in Unsecured Loans		-67.35	95.57
Finance Costs		-208.71	-518.44
Net cash used in financing activities:		<b>-204.53</b>	<b>-312.72</b>
D Net change in cash and cash equivalents (A+B+C)		43.73	2.78
E - 1 Cash and cash equivalents at the beginning of the year		13.05	10.27
E - 2 Cash and cash equivalents at year end		56.78	13.05

for S R Industries Limited

*Amit Mahajan*

Amit Mahajan

Director (Commercial)

DIN 00038593

Place Mohali  
 Date 27 July 2020



**Kansal Jain and Associates**  
(Formerly known as NJ & Associates)  
Chartered Accountants

UDIN 20080632 AAAACL 7855

27.07.2020

**INDEPENDENT AUDITOR'S REPORT**

To the Members of S.R. Industries Limited  
Report on the Standalone Financial Statements

**Qualified Opinion**

We have audited the accompanying financial results of **S.R. Industries Limited** (the "Company") for the year ended 31st March 2020, together with the notes thereon, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").  
In our opinion and to the best of our information and according to the explanations given to us these financial results:

- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- except for the effects of the matter described in the basis for qualified opinion section give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the total comprehensive income (comprising of net profit and other comprehensive income) and other financial information for the year 31st March 2020.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

- Understatement of Loss amount of Rs. 165.10 Lakhs (Refer to note no. 10 of Notes to Accounts)- as the Company has not provided for Interest on borrowings from State Bank of India in the current Year due to approval of OTS Scheme by them. The other banker i.e. Uco Bank has not yet sanctioned the OTS. Therefore, the losses of the Company are understated by that amount.*
- Going Concern (Refer to para Material Uncertainty Related to Going Concern as mentioned below) - We are unable to comment on the ability of the Company to continue as a Going Concern.*



## Emphasis of Matter – Effects of COVID-19

Due to Covid-19 Pandemic, there was material impact on sales and operations of the Company in March 2020. Since the business sentiment started getting affected from early March, many of the customers delayed the pending orders which adversely affected March 2020 Sales. Even production and logistics were affected due to different states imposing curbs on movement of people and goods in March.

Since the nationwide lockdown was imposed on 25th March 2020, the Company's manufacturing operations were closed between 25.03.2020 to 30.06.2020. At the same time, major customers also reduced and delayed all existing orders with the company owing to the uncertain situation and reduced demand. In addition, the Company's production and sales for the FY 20-21 shall also be impacted due to the COVID-19.

*Our opinion is not modified in respect of this matter.*

### Material Uncertainty Related to Going Concern:

*The Company has accumulated losses of Rs. 5304.76 Lakhs (Previous year Rs. 4646.06 Lakhs) as at March, 2020 resulting in Negative Net worth of Rs. 2186.39 Lakhs (Previous Year Rs. 1527.69 Lakhs). The Company's Current Liabilities exceed its Current Assets by Rs. 2933.78 Lakhs (Previous Year Rs. 2123.65 Lakhs) as of that date. The Banks have classified the accounts of the Company as NPA and issued notice under SARFAESI Act, 2002. The Turnover of the Company has gone down from Rs. 2524.04 Lakhs to Rs. 1683.10 Lakhs. These factors raise doubts about the survival of the Company and in view of the mentioned uncertainties; we are unable to comment on the ability of the Company to continue as a Going Concern.*

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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 scepticism throughout the audit. We also:

- a) 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.
- b) 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 system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- d) 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.
- e) 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 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Place: CHANDIGARH  
Date: 27.07.2020

FOR KANSAL JAIN & ASSOCIATES  
(FORMERLY KNOWN AS N J & ASSOCIATES)  
CHARTERED ACCOUNTANTS  
(CA. Shri Vishan Kansal)  
Membership No. 080632  
FRN 023083N

