

RAJAPALAYAM MILLS LIMITED

Regd. Office : Rajapalayam Mills Premises, P.A.C. Ramasamy Raja Salai,
Post Box No. 1, Rajapalayam, Tamil Nadu, Pin : 626 117.

CIN : L17111TN1936PLC002298
PAN : AAACR8897F
GSTIN : 33AAACR8897F1Z1



Telephone : 91 4563 235666 (5 lines)
Fax : 91 4563 236520
E-mail : rajacot@ramcotex.com
rajacot@bsnl.in
Website : www.rajapalayammills.co.in

M/s. BSE Limited,
Floor 25, P.J. Towers,
Dalal Street,
Mumbai - 400 001.

Scrip Code: 532503

Date : 24-06-2020

Dear Sir,

Sub: Outcome of the Board Meeting held on 24-06-2020

The Meeting of our Board of Directors held today (24-06-2020), approved the Audited Financial Results (Standalone and Consolidated) for the quarter and year ended 31st March, 2020.

The Board of Directors have recommended a dividend of Rs.1/- per Share of Rs.10/- each for the year ended 31st March, 2020. The dividend on declaration at the ensuing Annual General Meeting, will be paid from the date of Annual General Meeting.

The Annual General Meeting is scheduled to be held on 15th September, 2020. The Annual General Meeting is proposed to be conducted through video conferencing/Other Audio Visual Means.

Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we also enclose the following, duly approved by the Board:

1. Standalone and Consolidated Audited Financial Results for the quarter and year ended 31st March 2020.
2. Auditors' Report on the Standalone Financial Results for the year ended 31st March 2020.
3. Auditors' Report on the Consolidated Financial Results for the year ended 31st March 2020.

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4. Declaration duly signed by our Chief Financial Officer that the Audit Reports issued by the Statutory Auditors on the Standalone and Consolidated Annual Financial Results for the year ended 31-03-2020 were with unmodified opinions.

In accordance with Point No:A-4 of Annexure I of SEBI Circular No: CIR/CFD/CMD/4/2015 dated September 09, 2015, we wish to inform the following:

Time of commencement of the Board Meeting	-	11:50 A.M.
Time of completion of the Board Meeting	-	2:00 P.M.

Thanking you,

Yours faithfully,

For RAJAPALAYAM MILLS LIMITED

A. ARULPRANAVAM
SECRETARY

Encl: As above.



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

(₹ in Lakhs)

Sl. No.	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)
1	a. Revenue from Operations					
	Sale of Products	8,709	7,680	11,408	35,233	40,626
	Other Operating Income	141	120	152	550	636
	b. Other Income	1,197	218	496	2,623	2,804
	Total Revenue	10,047	8,018	12,056	38,406	44,066
2	Expenses					
	a. Cost of Materials Consumed	4,445	4,570	5,628	19,590	22,840
	b. Purchases of Stock-in-Trade	323	183	122	846	661
	c. Change in Inventories of Finished Goods, Work in progress and Stock-in-Trade	(260)	(938)	1,006	(1,855)	(1,693)
	d. Employee Benefit Expenses	1,332	1,422	1,478	5,719	5,887
	e. Finance Cost	723	575	604	2,587	2,198
	f. Depreciation and Amortisation Expenses	806	831	753	3,385	3,178
	g. Power & Fuel	856	1,245	1,381	2,787	3,698
	h. Other Expenditure	1,466	1,230	956	5,215	4,679
	Total Expenses	9,691	9,118	11,928	38,274	41,448
3	Profit from ordinary activities before tax (1-2)	356	(1,100)	128	132	2,618
4	Tax Expenses					
	- Current Tax	-	-	(57)	-	103
	- Deferred Tax [Including MAT Credit]	(70)	(423)	278	(509)	(189)
	- Excess tax provisions written back	-	-	(78)	-	(78)
5	Profit for the period (3-4)	426	(677)	(15)	641	2,782
6	Other Comprehensive Income, net of tax	(31)	-	(106)	(31)	(106)
7	Total Comprehensive Income after tax for the period (5+6)	395	(677)	(121)	610	2,676
8	Paid-up Equity Share Capital (Face Value of a Share ₹ 10/- each)	738	738	738	738	738
9	Other Equity				29,067	28,813
10	Net Worth				29,805	29,551
11	Basic & Diluted Earnings per share of ₹ 10/- each (in ₹) (Not Annualized)	6	(9)	-	9	38



SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(₹ in Lakhs)

Particulars	STANDALONE				
	Quarter ended			Year ended	
	31-03-2020	31-12-2019	31-03-2019	31-03-2020	31-03-2019
	(Audited)	(Un-Audited)	(Audited)	(Audited)	
1. Segment Revenue					
(Net Sales / Operating Income)					
a) Textiles	8,850	7,800	11,560	35,783	41,262
b) Wind Mills	572	413	533	3,976	4,146
	9,422	8,213	12,093	39,759	45,408
Less: Inter Segment Revenue	572	413	533	3,976	4,146
Total Income From Operations (Net)	8,850	7,800	11,560	35,783	41,262
2. Segment Results					
Profit/(Loss) Before Finance Cost & Tax					
a) Textiles	(369)	(572)	64	(1,880)	230
b) Wind Mills	273	12	158	2,279	2,344
c) Unallocated Items	1,175	35	510	2,320	2,242
	1,079	(525)	732	2,719	4,816
Less:					
Finance Cost - Unallocable Expenditure	723	575	604	2,587	2,198
Profit Before Tax	356	(1,100)	128	132	2,618
3. Capital Employed					
(Segment Assets (-) Segment Liabilities)					
a) Textiles	73,260	71,899	60,721	73,260	60,721
b) Wind Mills	5,945	6,049	6,363	5,945	6,363
c) Unallocated Items	(49,400)	(48,538)	(37,533)	(49,400)	(37,533)
Total	29,805	29,410	29,551	29,805	29,551



STANDALONE AUDITED STATEMENT OF ASSETS, EQUITY & LIABILITIES

(₹ In Lakhs)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
I ASSETS		
(1) NON-CURRENT ASSETS		
(a) Property, Plant and Equipment	57,460	31,152
(b) Capital Work-in-Progress	364	8,555
(c) Investment Property	145	145
(d) Intangible Assets	343	51
(e) Investment In Associates	7,107	7,107
(f) Financial Assets		
Other Investment	2,607	2,565
Loans	950	950
Other Financial Assets	991	924
(g) Other Non-Current Assets	962	7,164
NON CURRENT ASSETS (A)	70,929	58,613
(2) CURRENT ASSETS		
(a) Inventories	14,684	14,906
(b) Financial Assets		
Trade Receivables	5,063	6,209
Cash and Cash Equivalents	110	154
Bank Balance other than Cash and Cash Equivalents	530	215
Other Financial Assets	635	877
(c) Other Current Assets	2,099	1,645
CURRENT ASSETS (B)	23,121	24,006
ASSETS (A+B)	94,050	82,619
II EQUITY AND LIABILITIES		
(1) EQUITY		
(a) Equity Share Capital	738	738
(b) Other Equity	29,067	28,813
EQUITY (C)	29,805	29,551
(2) LIABILITIES		
(A) NON CURRENT LIABILITIES		
(a) Financial Liabilities		
Borrowings	31,006	19,585
(b) Provisions	400	348
(c) Deferred Tax Liabilities (Net)	1,769	2,278
(d) Deferred Government Grants	-	29
NON CURRENT LIABILITIES (D)	33,175	22,240
(B) CURRENT LIABILITIES		
(a) Financial Liabilities		
Borrowings	20,001	20,035
Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	41	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,794	1,941
Other Financial Liabilities (*)	8,684	8,205
(b) Provisions	550	647
CURRENT LIABILITIES (E)	31,070	30,828
EQUITY AND LIABILITIES (C+D+E)	94,050	82,619
(* Include Current maturities of Long Term Borrowings	7,289	6,228



STANDALONE AUDITED STATEMENT OF CASHFLOWS

(₹ In Lakhs)

Particulars	31-03-2020	31-03-2019
A . Cash flow from Operating Activities		
Profit before Tax	133	2,618
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation & Amortisation	3,385	3,178
Finance Costs	2,587	2,198
Interest Income	(291)	(321)
Dividend Income	(2,128)	(2,086)
Provision for Leave Salary	24	76
Rent Receipts from Investment Properties	(1)	(1)
(Profit) / Loss on Sale of Assets	(12)	19
Provision for mark to market loss on cotton inventory value	218	-
Fair Value movement and Financial Guarantee obligation	40	(196)
Operating Profit before Working capital Changes	3,955	5,485
Movements in Working Capital		
Trade Receivables	1,146	(1,163)
Loans and Advances	(131)	(174)
Unutilised Tax Credit - Indirect Tax	(354)	(1,018)
Inventories	3	(3,406)
Trade Payables & Current Liabilities	(366)	2,560
Cash generated from Operations	4,253	2,284
Direct Taxes Refund Received / (Paid) (Net)	73	(136)
Net Cash generated from Operating Activities (A)	4,326	2,148
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets (Including Capital work-in-progress and Capital Advance)	(17,193)	(21,629)
Government Grants received - related to acquisition of fixed assets	987	0
Investment in Equity Shares of Associates	-	(2,093)
(Acquisition) of / Proceeds from Sale of Investment in Equity Shares - Others	(1)	1
Proceeds from Sale of Assets	546	390
Interest Received	291	320
Dividend Received	2,128	2,086
Rent Receipts from Investment Properties	1	1
Net Cash used in Investing Activities (B)	(13,241)	(20,924)
C. Cash Flow from Financing Activities :		
Proceeds from Long Term Borrowings	17,290	20,934
Proceeds from / (Repayment) of Deposits - Related Parties	(361)	2,598
Repayment of Long Term Borrowings	(4,803)	(4,050)
Availment / (Repayment) of Short Term Borrowings (Net)	3	2,025
Payment of Dividend and Dividend Distribution Tax	(356)	(356)
Interest Paid	(2,587)	(2,198)
Net cash Generated from Financing Activities (C)	9,186	18,953
Net Increase in Cash and Cash Equivalent	D = (A+B+C)	271
Opening balance of Cash and Cash Equivalents	E	368
Closing balance of Cash and Cash Equivalents (D+E)	639	368
Notes:		
(i) The above Statement of Cash Flow has been prepared under 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow.		
(ii) Bank Borrowings including Cash Credits are considered as Financing Activities.		
(iii) For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the following:		(₹ In Lakhs)
PARTICULARS	31-03-2020	31-03-2019
Cash and Cash Equivalents	109	154
Bank Balances other than Cash and Cash Equivalents	530	214
Cash and Bank Balances for Statements of Cash Flows	639	368



Notes:

- 1) The above standalone audited results were reviewed by the Audit Committee and approved by the Board of Directors at their respective Meetings held on 24-06-2020.
- 2) The Board of Directors have recommended a dividend of Re. 1/- per equity share of Rs. 10/- each for the financial year 2019-20.
- 3) Ind AS 116 "Leases" has been adopted with effect from 01-04-2019 using "Modified Retrospective Method". The adoption did not have any significant impact on overall results of the Company.
- 4) Other Comprehensive income comprise of Gain / Loss on recognition and measurement of fair value of equity investment held in listed / unlisted entities except in Associate Companies for the respective reporting periods.
- 5) The Company has followed equity method for accounting the investments made in Associates. Accordingly the Company has prepared the Consolidated Financial Statements for the year ended 31-03-2020 / 31-03-2019, which includes the results of the Company & its Associates.
- 6) The Company has established a most modern yarn dyed fabric weaving unit at Rajapalayam with the capacity of 122 Looms to produce 10 million meters of fabric per annum. Erection of all the machines have been completed and the fabric unit has commenced its commercial production from 22nd March,2020.
- 7) Other expenses for the quarter / year ended 31-03-2020 includes the impact of Mark to Market loss on the valuation of cotton inventories of Rs. 218.34 Lakhs (PY: NIL).
- 8) In view of the lock-down declared across the country by the Central / State Governments due to COVID-19 pandemic during second half of March 2020, the company's operations were adversely impacted. The operations have since resumed in a phased manner during April / May 2020 in accordance with the guidelines issued by the relevant regulatory authorities with regard to adhering of social distancing and following prescribed hygiene standards. The Company continues to comply with such guidelines from time to time.

The Company has sufficient liquidity / financing arrangements for the continuity of business operations. The lock-down due to COVID-19 is continuing with certain relaxations in FY 2020-21 and the Company is continuing its operations with lower demand. The Company expects the demand for yarn to get back to its normal levels, based on further relaxations that would be announced by the Central and State Governments, in the course of time. The Company has assessed the potential impact of COVID-19 based on the current circumstances and expects no significant impact on the continuity of operations of the business on long-term basis. The Company does not have any material risk of non-fulfilment of obligations by any party arising out of existing contracts / agreements.

The Company has exercised due care in determining its significant accounting judgements and estimates while preparing its financial statements including internal controls over financial reporting. As per the current assessment of the Company, there is no material impact on the carrying values of trade receivables and other financial / non-financial assets as at the reporting date. The Company continues to closely monitor the developments in economic conditions and assess its impact. However, the final impact may differ from the current estimates made as at the date of approval of the financial statements for the year ended 31-03-2020 considering the prevailing uncertainties.
- 9) As per Section 115BAA in the Income Tax Act, 1961, the Company has an irrevocable option of shifting to a lower tax rate and simultaneously forgo certain tax incentives, deductions and accumulated MAT credit. The Company has not exercised this option for the year ended 31-03-2020 in view of the benefits available under the existing tax regime.
- 10) The figures for the quarter ended 31-03-2020 and 31-03-2019 are the balancing figures between audited results in respect of full financial year and published year to date upto the third quarter of the relevant financial year.
- 11) The Previous period figures have been re-grouped / re-stated wherever necessary.

CHENNAI
24-06-2020



For RAJAPALAYAM MILLS LIMITED,


P.R. VENKETRAMA RAJA,
CHAIRMAN



RAJAPALAYAM MILLS LIMITED
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STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2020

(₹ in Lakhs)

Sl. No.	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)	
1	a. Revenue from Operations					
	Sale of Products	8,709	7,680	11,408	35,233	40,626
	Other Operating Income	141	120	152	550	636
	b. Other Income	460	218	298	852	1,579
	Total Revenue	9,310	8,018	11,858	36,635	42,841
2	Expenses					
	a. Cost of Materials Consumed	4,445	4,570	5,628	19,590	22,840
	b. Purchases of Stock-in-Trade	323	183	122	846	661
	c. Change in Inventories of Finished Goods, Work in progress and Stock-in-Trade.	(260)	(938)	1,006	(1,855)	(1,693)
	d. Employee Benefit Expenses	1,332	1,422	1,478	5,719	5,887
	e. Finance Cost	723	575	604	2,587	2,198
	f. Depreciation and Amortisation Expenses	806	831	753	3,385	3,178
	g. Power & Fuel	856	1,245	1,381	2,787	3,698
	h. Other Expenditure	1,466	1,230	956	5,215	4,679
	Total Expenses	9,691	9,118	11,928	38,274	41,448
3	Profit from ordinary activities before tax (1-2)	(381)	(1,100)	(70)	(1,639)	1,393
4	Tax Expenses					
	- Current Tax	-	-	(57)	-	103
	- Deferred Tax [Including MAT Credit]	(70)	(423)	278	(509)	(189)
	- Excess tax provisions written back	-	-	(78)	-	(78)
5	Net Profit for the period before share of profit of Associates (3-4)	(311)	(677)	(213)	(1,130)	1,557
6	Share of Net Profit of Associates, net of tax	2,397	1,700	2,713	10,337	8,891
7	Profit for the period (5+6)	2,086	1,023	2,500	9,207	10,448
8	Other Comprehensive Income, net of tax	(31)	-	(107)	(31)	(107)
9	Share of OCI of Associates, net of tax	(159)	82	(33)	(63)	29
10	Total Comprehensive Income after tax for the period (7+8+9)	1,896	1,105	2,360	9,113	10,370
11	Paid-up Equity Share Capital (Face Value of a Share ₹ 10/- each)	736	736	736	736	736
12	Other Equity				1,78,144	1,69,387
13	Net Worth				1,78,880	1,70,123
14	Basic & Diluted Earnings per share of ₹ 10/- each (in ₹) (Not Annualized)	28	14	34	125	142



SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(₹ in Lakhs)

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)	
1. Segment Revenue (Net Sales / Operating Income)					
a) Textiles	8,850	7,800	11,560	35,783	41,262
b) Wind Mills	572	413	533	3,976	4,146
	9,422	8,213	12,093	39,759	45,408
Less: Inter Segment Revenue	572	413	533	3,976	4,146
Total Income From Operations (Net)	8,850	7,800	11,560	35,783	41,262
2. Segment Results					
Profit/(Loss) Before Finance Cost & Tax					
a) Textiles	(368)	(572)	(134)	(1,879)	32
b) Wind Mills	273	12	158	2,279	2,344
c) Unallocated Items	437	35	510	548	1,215
	342	(525)	534	948	3,591
Less:					
Finance Cost - Unallocable Expenditure	723	575	604	2,587	2,198
Profit Before Tax	(381)	(1,100)	(70)	(1,639)	1,393
3. Capital Employed (Segment Assets (-) Segment Liabilities)					
a) Textiles	73,260	71,899	60,721	73,260	60,721
b) Wind Mills	5,945	6,049	6,363	5,945	6,363
c) Unallocated Items	99,675	99,036	1,03,039	99,675	1,03,039
Total	1,78,880	1,76,984	1,70,123	1,78,880	1,70,123



CONSOLIDATED AUDITED STATEMENT OF ASSETS, EQUITY & LIABILITIES

(₹ In Lakhs)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
I ASSETS		
(1) NON-CURRENT ASSETS		
(a) Property, Plant and Equipment	57,460	31,152
(b) Capital Work-in-Progress	364	8,555
(c) Investment Property	145	145
(d) Intangible Assets	343	51
(e) Investment in Associates	1,56,182	1,47,810
(f) Financial Assets		
Other Investment	2,607	2,565
Loans	950	950
Other Financial Assets	991	924
(g) Other Non-Current Assets	962	7,164
NON CURRENT ASSETS (A)	2,20,004	1,99,316
(2) CURRENT ASSETS		
(a) Inventories	14,684	14,906
(b) Financial Assets		
Trade Receivables	5,063	6,209
Cash and Cash Equivalents	110	154
Bank Balance other than Cash and Cash Equivalents	530	215
Other Financial Assets	635	877
(c) Other Current Assets	2,099	1,645
CURRENT ASSETS (B)	23,121	24,006
ASSETS (A+B)	2,43,125	2,23,322
II EQUITY AND LIABILITIES		
(1) EQUITY		
(a) Equity Share Capital	736	736
(b) Other Equity	1,78,144	1,69,387
EQUITY (C)	1,78,880	1,70,123
(2) LIABILITIES		
(A) NON CURRENT LIABILITIES		
(a) Financial Liabilities		
Borrowings	31,006	19,585
(b) Provisions	400	348
(c) Deferred Tax Liabilities (Net)	1,769	2,278
(d) Deferred Government Grants	-	29
NON CURRENT LIABILITIES (D)	33,175	22,240
(B) CURRENT LIABILITIES		
(a) Financial Liabilities		
Borrowings	20,001	20,035
Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	41	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,794	1,941
Other Financial Liabilities (*)	8,684	8,336
(b) Provisions	550	647
CURRENT LIABILITIES (E)	31,070	30,959
EQUITY AND LIABILITIES (C+D+E)	2,43,125	2,23,322
(*) Include Current maturities of Long Term Borrowings	7,289	6,228



CONSOLIDATED AUDITED STATEMENT OF CASHFLOWS

(₹ In Lakhs)

Particulars	31-03-2020	31-03-2019
A . Cash flow from Operating Activities		
Profit before Tax	(1,639)	1,393
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation & Amortisation	3,385	3,178
Finance Costs	2,587	2,198
Interest Income	291	(321)
Dividend Income	(225)	(1,059)
Provision for Leave Salary	24	76
Rent Receipts from Investment Properties	(1)	(1)
(Profit) / Loss on Sale of Assets	(12)	19
Provision for mark to market loss on cotton inventory value	218	-
Fair Value movement and Financial Guarantee obligation	(91)	2
Operating Profit before Working capital Changes	4,537	5,485
Movements in Working Capital		
Trade Receivables	1,146	(1,163)
Loans and Advances	(131)	(174)
Unutilised Tax Credit - Indirect Tax	(354)	(1,018)
Inventories	3	(3,406)
Trade Payables & Current Liabilities	(366)	2,560
Cash generated from Operations	4,835	2,284
Direct Taxes Refund Received / (Paid) (Net)	73	(136)
Net Cash generated from Operating Activities (A)	4,908	2,148
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets (Including Capital work-in-progress and Capital Advance)	(17,193)	(21,629)
Government Grants received - related to acquisition of fixed assets	987	-
Investment in Equity Shares of Associates	-	(2,093)
(Acquisition) of / Proceeds from Sale of Investment in Equity Shares - Others	(1)	1
Proceeds from Sale of Assets	546	390
Interest Received	(291)	320
Dividend Received	2,128	2,086
Rent Receipts from Investment Properties	1	1
Net Cash used in Investing Activities (B)	(13,823)	(20,924)
C. Cash Flow from Financing Activities :		
Proceeds from Long Term Borrowings	17,290	20,934
Proceeds from / (Repayment) of Deposits - Related Parties	(361)	2,598
Repayment of Long Term Borrowings	(4,803)	(4,050)
Availment / (Repayment) of Short Term Borrowings (Net)	3	2,025
Payment of Dividend and Dividend Distribution Tax	(356)	(356)
Interest Paid	(2,587)	(2,198)
Net cash Generated from Financing Activities (C)	9,186	18,953
Net Increase in Cash and Cash Equivalent D = (A+B+C)	271	177
Opening balance of Cash and Cash Equivalents E	368	191
Closing balance of Cash and Cash Equivalents (D+E)	639	368
Notes:		
(i) The above Statement of Cash Flow has been prepared under 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow.		
(ii) Bank Borrowings including Cash Credits are considered as Financing Activities.		
(iii) For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the following:		
		(₹ In Lakhs)
PARTICULARS	31-03-2020	31-03-2019
Cash and Cash Equivalents	109	154
Bank Balances other than Cash and Cash Equivalents	530	214
Cash and Bank Balances for Statements of Cash Flows	639	368



Notes:

- 1) The above consolidated audited results were reviewed by the Audit Committee and approved by the Board of Directors at their respective Meetings held on 24-06-2020.
- 2) The Board of Directors have recommended a dividend of Re. 1/- per equity share of Rs. 10/- each for the financial year 2019-20.
- 3) The Consolidated financial results have been prepared in accordance with Ind AS 110 read with Ind AS 28. The consolidated results include the standalone results of parent Company (Rajapalayam Mills Limited) and its Associates viz., The Ramco Cement Limited, Ramco Industries Limited and Ramco Systems Limited.
- 4) Key standalone financial information

(₹ in Lakhs)

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)
Total Revenue	10,047	8,018	12,056	38,406	44,066
Net Profit before tax	356	(1,100)	128	132	2,618
Net Profit after tax	426	(677)	(15)	641	2,782

The standalone financial results of the Company are available on the Bombay Stock Exchange website www.bseindia.com and the Company's website www.rajapalayammills.co.in

- 5) Ind AS 116 "Leases" has been adopted with effect from 01-04-2019 using "Modified Retrospective Method". The adoption did not have any significant impact on overall results of the Company.
- 6) The Company has established a most modern yarn dyed fabric weaving unit at Rajapalayam with the capacity of 122 Looms to produce 10 million meters of fabric per annum. Erection of all the machines have been completed and the fabric unit has commenced its commercial production from 22nd March, 2020.
- 7) Other expenses for the quarter / year ended 31-03-2020 includes the impact of Mark to Market loss on the valuation of cotton inventories of Rs. 218.34 Lakhs (PY: NIL).
- 8) In view of the lock-down declared across the country by the Central / State Governments due to COVID-19 pandemic during second half of March 2020, the company's operations were adversely impacted. The operations have since resumed in a phased manner during April / May 2020 in accordance with the guidelines issued by the relevant regulatory authorities with regard to adhering of social distancing and following prescribed hygiene standards. The Company continues to comply with such guidelines from time to time.

The Company has sufficient liquidity / financing arrangements for the continuity of business operations. The lock-down due to COVID-19 is continuing with certain relaxations in FY 2020-21 and the Company is continuing its operations with lower demand. The Company expects the demand for yarn to get back to its normal levels, based on further relaxations that would be announced by the Central and State Governments, in the course of time. The Company has assessed the potential impact of COVID-19 based on the current circumstances and expects no significant impact on the continuity of operations of the business on long-term basis. The Company does not have any material risk of non-fulfilment of obligations by any party arising out of existing contracts / agreements.

The Company has exercised due care in determining its significant accounting judgements and estimates while preparing its financial statements including internal controls over financial reporting. As per the current assessment of the Company, there is no material impact on the carrying values of trade receivables and other financial / non-financial assets as at the reporting date. The Company continues to closely monitor the developments in economic conditions and assess its impact. However, the final impact may differ from the current estimates made as at the date of approval of the financial statements for the year ended 31-03-2020 considering the prevailing uncertainties.
- 9) As per Section 115BAA in the Income Tax Act, 1961, the Company has an irrevocable option of shifting to a lower tax rate and simultaneously forgo certain tax incentives, deductions and accumulated MAT credit. The Company has not exercised this option for the year ended 31-03-2020 in view of the benefits available under the existing tax regime.
- 10) The figures for the quarter ended 31-03-2020 and 31-03-2019 are the balancing figures between audited results in respect of full financial year and published year to date upto the third quarter of the relevant financial year.
- 11) The Previous period figures have been re-grouped / re-stated wherever necessary.

CHENNAI
24-06-2020



For RAJAPALAYAM MILLS LIMITED,

P. Venketrana Raja
P.R. VENKETRAMA RAJA,
CHAIRMAN

**Independent Auditor's Report on the Quarterly and Year to Date
Standalone Audited Financial 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 OF **RAJAPALAYAM MILLS LIMITED**

Report on the audit of the Standalone Financial Results

Opinion

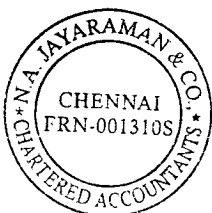
We have audited the accompanying standalone quarterly financial results of **RAJAPALAYAM MILLS LIMITED** (the "Company") for the quarter ended March 31, 2020 and the year to date results for the period from April 01, 2019 to March 31, 2020, attached herewith, being submitted by the Company pursuant to 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 standalone financial results:

- I. are presented in accordance with the requirements of the Regulation 33 of the Listing Regulations in this regard; and
- II. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive loss and other financial information of the Company for the quarter ended March 31, 2020 as well as the year to date results for the period from April 01, 2019 to 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 Standalone 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



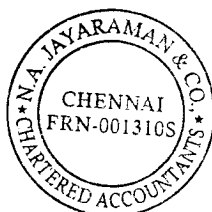
with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No.8 to the standalone financial results, which describes the uncertainties and the impact of the COVID-19 pandemic on the company's operations and results as assessed by the management. The Management has assessed that consequent lockdown announced by Central / State Governments, the demand for Cotton has come down and the Cotton prices have fallen by more than 20%. Due to the reduction in the market price of Cotton, a provision for Mark To Market Loss of Rs. 218.34 Lakhs in the carrying cost of Cotton inventory has been made in the financial statements. Other than the above there is no material impact on the financial statements due to lockdown and related restrictions imposed towards controlling the COVID-19 pandemic. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of standalone annual financial statements. 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 profit 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 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 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the standalone financial statements, 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.

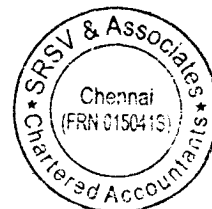
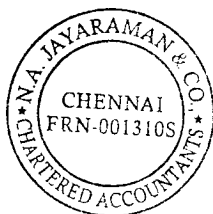
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

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 these standalone 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 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.



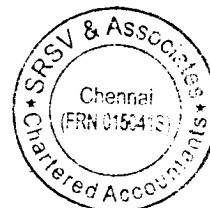
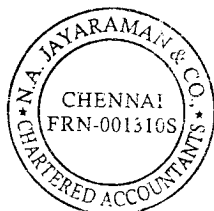
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence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

Our attendance at the physical inventory verification done by the management was impracticable under the current lockdown restrictions imposed by the government. Consequently, we have performed alternative procedures to audit on the existence and condition of inventory at year end as per the guidance provided in SA-501 "Audit Evidence - Specific considerations for selected items" and have obtained sufficient audit evidence to issue our un-modified opinion on these standalone financial results.



Our opinion on the statement is not modified in respect of these matters.

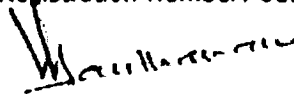
The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us as required under the Listing Regulations.

For N.A. JAYARAMAN & CO.,
Chartered Accountants
Firm Registration Number: 001310S



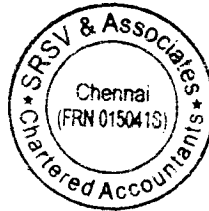
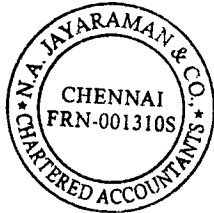
R. PALANIAPPAN
Partner
Membership Number: 205112
UDIN: 20205112AAAAEW2129

For S R S V & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S



P. SANTHANAM
Partner
Membership Number: 018697
UDIN: 20018697AAAAAN1294

Chennai
24th June 2020



Independent Auditor's Report on the Quarterly and Year to Date Audited Consolidated Financial 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 OF RAJAPALAYAM MILLS LIMITED

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Statement of Consolidated Financial Results of **RAJAPALAYAM MILLS LIMITED** ("the Company") and its associates for the quarter ended March 31, 2020 and for the period from April 01, 2019 to March 31, 2020 ("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 ("Listing Regulations").

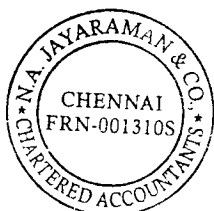
In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate audited financial statements / financial information of associates, the Statement:

a. includes the results of the following entities:

Name of the entity	Relationship
The Ramco Cements Limited	Associate
Ramco Industries Limited	Associate
Ramco Systems Limited	Associate

b. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and

c. gives a true and fair view, in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of consolidated total comprehensive income (comprising of net profit and other comprehensive loss) and other financial information of the Company for the quarter ended March 31, 2020 and for the period from April 01, 2019 to March 31, 2020.



Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) as 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 Company and its associates 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 statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

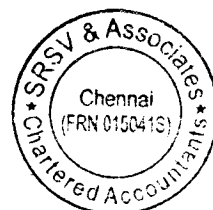
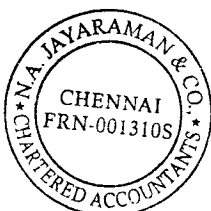
We draw attention to Note No. 8 to the consolidated financial results, which describes the uncertainties and the impact of the COVID-19 pandemic on the operations and results on financial results. The Management has assessed that consequent lockdown announced by Central / State Governments, the demand for Cotton has come down and the Cotton prices have fallen by more than 20%. Due to the reduction in the market price of Cotton, a provision for Mark to Market Loss of Rs. 218.34 Lakhs in the carrying cost of Cotton inventory has been made in the financial statements of the Company. Other than the above there is no material impact on the financial statements due to lockdown and related restrictions imposed towards controlling the COVID-19 pandemic. Our opinion is not modified in respect of this matter.

The auditors of respective associate companies have reported an Emphasis of matter about the impact of COVID-19 pandemic in their reports of the respective companies. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Consolidated Financial Results

These Statements have been prepared on the basis of the consolidated annual financial statements.

The Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive loss and other financial information of the Company including its associates in accordance with the applicable accounting standards prescribed under Section 133 of the Act read



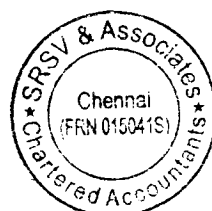
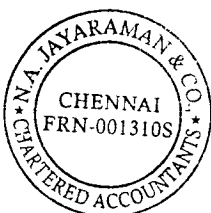
with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the Company and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and its associates 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 consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statement, the respective Board of Directors of the Company and its associates are responsible for assessing the ability of the Company and its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

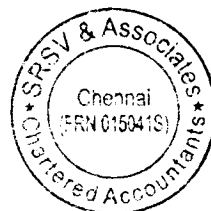
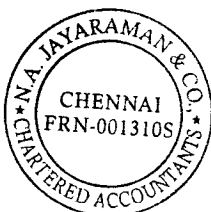
The respective Board of Directors of the Company and of its associates are also responsible for overseeing the financial reporting process of the Company and its associates.

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. 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 and its associates 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 Company and its associates 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.



- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the Company and its associates to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of the financial information of the entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

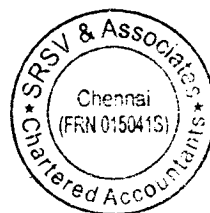
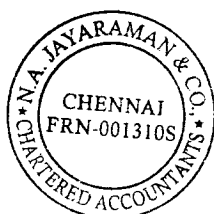
We communicate with those charged with governance of the Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matter

1. The consolidated financial results also include the Company's share of net profit after tax of Rs. 2,397 Lakhs and Rs. 10,337 Lakhs for the quarter ended 31st March 2020 and for the period from 01st April 2019 to 31st March 2020 respectively as considered in the consolidated audited financial results in respect of all the associates. The financial results / financial information of two associates have been audited by one of us along with another joint auditor and one associates has been audited by an Independent Auditor, whose reports have been furnished to us by the management and our report on the consolidated financial results in so far as it relates to the amounts that have been derived from such audited financial results is solely based on the reports of the other auditors.



2. Our attendance at the physical inventory verification done by the management was impracticable under the current lockdown restrictions imposed by the government. Consequently, we have performed alternative procedures to audit on the existence and condition of inventory at year end as per the guidance provided in SA-501 "Audit Evidence - Specific considerations for selected items" and have obtained sufficient audit evidence to issue our un-modified opinion on these consolidated financial results.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors.

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures 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 end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For N.A. JAYARAMAN & CO.,
Chartered Accountants
Firm Registration Number: 001310S

R. Palaniappan

R. PALANIAPPAN
Partner
Membership Number: 205112
UDIN: 20205112AAAAX8046

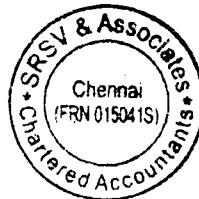
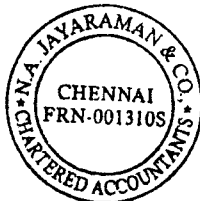
For S R S V & ASSOCIATES
Chartered Accountants
Firm Registration Number: 015041S

P. Santhanam

P. SANTHANAM
Partner
Membership Number: 018697
UDIN: 20018697AAAAA09332

Chennai

24th June 2020



RAJAPALAYAM MILLS LIMITED

Regd. Office : Rajapalayam Mills Premises, P.A.C. Ramasamy Raja Salai,
Post Box No. 1, Rajapalaiyam, Tamil Nadu, Pin : 626 117.

CIN : L17111TN1936PLC002298
PAN : AAACR8897F
GSTIN : 33AAACR8897F1Z1



Telephone : 91 4563 235666 (5 lines)
Fax : 91 4563 236520
E-mail : rajacot@ramcotex.com
rajacot@bsnl.in
Website : www.rajapalayammills.co.in

M/s. BSE Limited,
Floor 25, P.J. Towers,
Dalal Street,
Mumbai - 400 001.

Scrip Code: 532503

Date : 24-06-2020

Dear Sir,

Sub: Declaration under Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We hereby declare that the Audit Reports issued by the Statutory Auditors on the Standalone and Consolidated Annual Financial Results for the year ended 31-03-2020 were with unmodified opinions.

Thanking you,

Yours faithfully,

For RAJAPALAYAM MILLS LIMITED

B. Gnanagurusamy

**B. GNANAGURUSAMY
CHIEF FINANCIAL OFFICER**