

AMARJOTHI SPINNING MILLS LTD.,

Regd. Office : 157 KUMARAN ROAD

TIRUPUR - 641 601.

PART A

Statement of Standalone/consolidated Audited Results for the Year ended March 31, 2020

| S. No. | Particulars | STAND ALONE | | | | | CONSOLIDATED | | | | |
|--------|--|---------------------------|-------------------------------------|--|-----------------------|--------------------------------|---------------------------|-------------------------------------|--|-----------------------|--------------------------------|
| | | 3 Months Ended 31.03.2020 | Preceding 3 Months ended 31.12.2019 | Corresponding 3 months ended in the previous year 31.03.2019 | Year ended 31.03.2020 | Previous year ended 31.03.2019 | 3 Months Ended 31.03.2020 | Preceding 3 Months ended 31.12.2019 | Corresponding 3 months ended in the previous year 31.03.2019 | Year ended 31.03.2020 | Previous year ended 31.03.2019 |
| | | (Audited) | (Unaudited) | (Audited) | (Audited) | (Audited) | (Audited) | (Unaudited) | (Audited) | (Audited) | (Audited) |
| | | (Rupees In Lakhs) | | | | | (Rupees In Lakhs) | | | | |
| 1 | | | | | | | | | | | |
| | (a) Revenue from operations | 4988.80 | 3591.30 | 4893.99 | 18252.94 | 21219.60 | 3686.90 | 3649.72 | 4880.56 | 17159.44 | 21399.13 |
| | (b) Other Income | 137.78 | 80.00 | 64.09 | 268.32 | 760.75 | 469.57 | 81.57 | 222.98 | 602.55 | 929.02 |
| | Total Income | 5126.58 | 3671.30 | 4958.08 | 18521.26 | 21980.35 | 4156.47 | 3731.29 | 5103.54 | 17761.99 | 22328.15 |
| 2 | Expenses | | | | | | | | | | |
| | (a) Cost of materials consumed | 2385.72 | 1610.92 | 2637.13 | 9168.95 | 10996.88 | 2410.32 | 1610.92 | 2662.54 | 9193.55 | 11022.29 |
| | (b) Purchases of stock-in-trade | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | (c) Changes in inventories of finished goods, stock-in-trade and work-in-progress | 590.19 | -43.65 | -51.35 | 380.28 | 169.76 | -611.92 | -22.74 | -65.50 | -799.49 | 203.62 |
| | (d) Employee benefit expense | 318.28 | 347.32 | 351.97 | 1336.24 | 1399.84 | 332.93 | 347.32 | 366.71 | 1350.89 | 1413.03 |
| | (e) Finance Costs | 158.48 | 145.58 | 259.96 | 684.49 | 1284.49 | 328.03 | 204.79 | 353.45 | 956.47 | 1402.45 |
| | (f) Depreciation and amortisation expense | 387.05 | 398.16 | 393.99 | 1554.36 | 1542.52 | 577.16 | 398.16 | 527.62 | 1744.47 | 1676.15 |
| | (g) Other expenses | 1120.69 | 765.31 | 1016.59 | 3897.11 | 4550.38 | 761.45 | 734.83 | 917.57 | 3643.27 | 4497.01 |
| | Total expenses | 4960.41 | 3223.64 | 4608.29 | 17021.43 | 19943.87 | 3797.97 | 3273.28 | 4762.39 | 16089.16 | 20214.55 |
| 3 | Profit/(Loss) before exceptional Items & Tax | 166.17 | 447.66 | 349.79 | 1499.83 | 2036.48 | 358.50 | 458.01 | 341.15 | 1672.83 | 2113.60 |
| 4 | Exceptional items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5 | Profit / (Loss) before Tax | 166.17 | 447.66 | 349.79 | 1499.83 | 2036.48 | 358.50 | 458.01 | 341.15 | 1672.83 | 2113.60 |
| 6 | Tax expense | | | | | | | | | | |
| | Current Tax | 29.22 | 90.89 | 69.99 | 300.00 | 343.00 | 72.79 | 92.99 | 69.27 | 305.55 | 343.00 |
| | Deferred Tax | | | | 167.21 | 252.16 | | | | 167.21 | 252.16 |
| 7 | Net Profit/(Loss) for the period from Continuing Operations | 136.95 | 356.77 | 279.80 | 1032.62 | 1441.32 | 285.71 | 365.02 | 271.88 | 1200.07 | 1518.44 |
| 8 | Profit (Loss) from Discontinued Operations before Tax | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 9 | Tax Expense of Discontinued Operations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 10 | Net Profit (Loss) from Discontinued Operation after Tax | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 11 | Profit / (Loss) for the period | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 12 | Non-Controlling Interest | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -67.06 | 0.00 |
| 13 | Share of Profit of associates | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -68.09 | 24.18 | -5.34 | 178.46 | -5.34 |
| 14 | Profit (Loss) after Non-Controlling Interest & Share of Profit for Associates | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1088.67 | 1523.78 |
| 15 | Other Comprehensive Income | | | | | | | | | | |
| 16 | Total Comprehensive income for the period | 136.95 | 356.77 | 279.80 | 1032.62 | 1441.32 | 353.80 | 340.84 | 277.22 | 1088.67 | 1523.78 |
| 17 | Details of Equity Share Capital | 675.00 | 675.00 | 675.00 | 675.00 | 675.00 | 675.00 | 675.00 | 675.00 | 675.00 | 675.00 |
| | Paid up Equity Share Capital | 6750000 | 6750000 | 6750000 | 6750000 | 6750000 | 6750000 | 6750000 | 6750000 | 6750000 | 6750000 |
| | Face Value of Equity Share Capital | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| 18 | Reserves Excluding Revaluation Reserve | | | | 12462.53 | 11570.29 | | | | 12751.16 | 11803.25 |
| 19 | Earnings per share before & After extraordinary Items | | | | | | | | | | |
| | a) Basic | 2.03 | 5.29 | 4.15 | 15.30 | 21.35 | 5.24 | 5.05 | 4.11 | 16.13 | 22.57 |
| | b) Diluted | 2.03 | 5.29 | 4.15 | 15.30 | 21.35 | 5.24 | 5.05 | 4.11 | 16.13 | 22.57 |

| PART B | | STAND ALONE | | CONSOLIDATED | |
|---|---|--------------------------|--------------------------|--------------------------|--------------------------|
| Standalone/Consolidated Statement of Assets and Liabilities | | Year ended 31.03.2020 | Year ended 31.03.2019 | Year ended 31.03.2020 | Year ended 31.03.2019 |
| Particulars | | | | | |
| ASSETS | | | | | |
| 1 | Non-current assets | | | | |
| a) | Property, Plant and Equipment | 10423.04 | 10815.54 | 17197.6 | 18571.36 |
| b) | Capital Work-in-progress | 493.85 | 496.67 | 496.67 | 496.67 |
| c) | Investment Property | | | | |
| d) | Other Intangible assets | 0.44 | 1.05 | 0.45 | 1.05 |
| e) | Financial Assets | | | | |
| (i) | Investments | 208.46 | 115.89 | 91.15 | 90.96 |
| (ii) | Loans | | | | |
| (iii) | Other Financial Assets | 108.70 | 104.91 | 108.70 | 104.91 |
| f) | Other non-current assets | 49.75 | 93.67 | 49.91 | 93.81 |
| | Total - Non-current assets | 11284.24 | 11627.73 | 17944.48 | 19358.76 |
| 2 | Current assets | | | | |
| a) | Inventories | 4861.18 | 5430.35 | 6085.52 | 5499.52 |
| b) | Financial Assets | | | | |
| (i) | Investments | | | | |
| (ii) | Trade Receivables | 3043.98 | 2960.90 | 1852.66 | 2915.74 |
| (iii) | Cash and Cash equivalents | 8.48 | 68.23 | 43.24 | 168.12 |
| (iv) | Bank Balances Other than above (III) | 35.20 | 35.98 | 35.20 | 35.98 |
| c) | Current Tax Assets (Net) | 21.43 | 0.00 | 21.43 | 0.00 |
| d) | Other current assets | 2617.65 | 2637.18 | 4277.77 | 4701.90 |
| | Total - Current assets | 10587.92 | 11132.64 | 12315.82 | 13321.26 |
| | TOTAL - ASSETS | 21872.16 | 22760.37 | 30260.30 | 32680.02 |
| 1 | Shareholders' funds | | | | |
| (a) | Share capital | 675.00 | 675.00 | 675.00 | 675.00 |
| (b) | Reserves and surplus | 12462.53 | 11570.29 | 12751.16 | 11803.25 |
| (c) | Money received against share warrants | 0 | 0 | 0 | 0 |
| | Total - Shareholders' funds | 13137.53 | 12245.29 | 13426.16 | 12478.25 |
| 2 | Share application money pending allotment | | | | |
| 3 | Deferred Government grants | | | | |
| 4 | Minority interest | 0 | 0 | 829.38 | 809.05 |
| 5 | Non-current liabilities | | | | |
| | Long-term borrowings | 4005.51 | 6412.22 | 11037.71 | 10262.87 |
| | Deferred tax liabilities (net) | 1582.97 | 1415.76 | 1582.97 | 1415.76 |
| | Foreign Currency Monetary Item Translation difference Liability account | 0 | 0 | 0 | 0 |
| | Other long-term liabilities | 0.00 | 0.00 | 0.00 | 0.00 |
| | Long-term provisions | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total - Non-current liabilities | 5588.48 | 7827.98 | 12620.68 | 11678.63 |
| 6 | Current liabilities | | | | |
| | Short-term borrowings | 742.61 | 580.78 | 742.61 | 580.78 |
| | Trade payables | 1273.24 | 892.72 | 1531.56 | 5960.14 |
| | Other current liabilities | 884.99 | 888.32 | 864.60 | 868.58 |
| | Short-term provisions | 245.31 | 325.28 | 245.31 | 304.59 |
| | Total - Current liabilities | 3146.15 | 2687.1 | 3384.08 | 7714.09 |
| | TOTAL - EQUITY AND LIABILITIES | 21872.16 | 22760.37 | 30260.30 | 32680.02 |

olidated statement of assets and liabilities.

Notes: 0.00 0.00 0.00 0.00

- The above results after their review by the Audit Committee were taken on record by the Board of Directors in their meeting held on 29th Jun, 2020.
- In accordance with the requirement of regulation 33 of SEBI (LODR) Regulations 2015 with the stock Exchanges, the financial result of the Year ended 31st March 2020 have been Audited by the Statutory Auditors of the company.
- The Operations of the Company relates to only one Segment namely, yarn manufacturing.

(BY ORDER OF THE BOARD)
For Anarjothi Spinning Mills Ltd.,

Place: Tirupur
Date: 29.06.2020

R.JAICHANDER
JOINT MANAGING DIRECTOR

AMARJOTHI SPINNING MILLS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

Rs. Rupees in Lakhs

| | Year ended 31.03.2020 | Year ended 31.03.2019 | Year ended 31.03.2020 | Year ended 31.03.2019 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | | | |
| NET Profit before Taxation | 149983608.53 | 203647975.45 | 1499.83 | 2036.48 |
| Adjustments for: | | | | |
| Depreciation and amortisation | 154251877.94 | | 1554.36 | 1542.52 |
| Loss/(Profit) on Sale of Assets | -47396449.09 | | -23.88 | -473.96 |
| Interest Income | -3913237.96 | | -39.13 | -107.47 |
| Finance costs | 68449158.00 | | 684.49 | 1284.49 |
| Operating Profit before Working Capital Changes | 217583986.03 | 224557379.37 | 2175.84 | 2245.58 |
| Adjustments for: | | | | |
| Trade & other Receivables | 367567594.56 | 428205354.82 | 3675.67 | 4282.06 |
| Inventories | -35284659.26 | -24830665.40 | -352.87 | -248.35 |
| Trade Payable & Other Liabilities | 56917603.62 | 170642071.02 | 569.18 | 1706.42 |
| Cash Generated from Operations | 45903053.79 | 198948244.03 | 459.03 | 1989.44 |
| Direct Taxes provisions / paid | 435103592.71 | 627153598.85 | 4351.01 | 6271.50 |
| Net Cash from Operating activities | -8108700.00 | 1691300.00 | -81.09 | 16.91 |
| | A | 628844898.85 | A | 6288.41 |
| B. CASH FLOW FROM INVESTMENT ACTIVITIES: | | | | |
| Purchase of Fixed Assets | -136762346.98 | -18109907.34 | -1367.62 | -181.10 |
| Sale of Fixed Assets | 18248569.11 | -35803453.07 | 182.49 | -358.02 |
| Payment for Capital Projects in Progress | 0.00 | -282286.00 | 0.01 | -2.80 |
| Investments made | -13169773.98 | -4932630.86 | -131.69 | -49.31 |
| Adjustments for other non current assets | 4012032.76 | 17972413.14 | 40.13 | 179.72 |
| Interest Received | 3913237.96 | 10746634.86 | 39.13 | 107.47 |
| Net Cash from Investment activities | -123758281.13 | -30409229.27 | -1237.55 | -304.04 |
| | B | | B | |
| C. CASH FLOW FROM FINANCING ACTIVITIES: | | | | |
| Borrowings (net) | -224488140.83 | -450195013.90 | -2244.88 | -4501.96 |
| Dividend paid including tax | -16274965.00 | -16248282.00 | -162.75 | -162.48 |
| Finance costs | -68449158.00 | -128448585.38 | -684.49 | -1284.49 |
| Net Cash from Financing Activities | -309212263.83 | -594891881.28 | -3092.12 | -5948.93 |
| | C | | C | |
| Net Increase/ (Decrease) in cash and cash equivalents | (A+B+C) | (A+B+C) | (A+B+C) | (A+B+C) |
| Cash and Cash Equivalents as at the beginning of the period | 5975652.25 | 3543788.30 | 59.75 | 35.44 |
| Cash and Cash Equivalents as at the end of the period | 6822691.46 | 3278903.16 | 68.23 | 32.79 |
| | 847039.21 | 6822691.46 | 8.48 | 68.23 |

AMARJOTHI SPINNING MILLS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

Rs.

Rupees in Lakhs

| | Year ended 31.03.2020 | Year ended 31.03.2019 | Year ended 31.03.2020 | Year ended 31.03.2019 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | | | |
| NET Profit before Taxation | 167282487.33 | 211359676.13 | 1672.83 | 2113.60 |
| Adjustments for: | | | | |
| Depreciation and amortisation | 174447136.66 | 167614375.94 | 1744.47 | 1676.15 |
| Loss / (Profit) on Sale of Assets | -2388068.10 | -47396449.09 | -23.88 | -473.97 |
| Interest Income | -36912355.96 | -26450053.86 | -369.12 | -264.50 |
| Finance costs | 95646748.00 | 140244918.38 | 956.47 | 1402.45 |
| Operating Profit before Working Capital Changes | 230793460.60 | 234012791.37 | 2307.94 | 2340.13 |
| Adjustments for: | | | | |
| Trade & other Receivables | 398075947.93 | 445372467.50 | 3980.77 | 4453.73 |
| Inventories | 305016114.00 | -81621625.38 | 3050.14 | -816.23 |
| Trade Payable & Other Liabilities | -58599035.97 | 178621549.62 | -585.99 | 1786.22 |
| Cash Generated from Operations | -433002529.19 | 540077272.35 | -4330.03 | 5400.77 |
| Direct Taxes provisions / paid | 211490496.77 | 637077196.59 | 2114.89 | 6370.76 |
| Net Cash from Operating activities | -34300000.00 | 1082449664.09 | -343.00 | 10824.49 |
| | A | 1041771319.09 | A | 10417.71 |
| B. CASH FLOW FROM INVESTMENT ACTIVITIES: | | | | |
| Purchase of Fixed Assets | -189731934.60 | -793929885.72 | -1897.32 | -7939.30 |
| Sale of Fixed Assets | 14289666.17 | 367208910.52 | 142.91 | 3672.10 |
| Payment for Capital Projects in Progress | 0.00 | -282286.00 | 0.00 | -2.82 |
| Investments made | -36931035.96 | -27225473.86 | -369.30 | -272.23 |
| Adjustments for other non current assets | 4012032.76 | 17957413.14 | 40.11 | 179.57 |
| Interest Received | 36912355.96 | 26450053.86 | 369.12 | 264.50 |
| Net Cash from Investment activities | -171448915.67 | -409821268.06 | -1714.48 | -4098.18 |
| | B | B | B | B |
| C. CASH FLOW FROM FINANCING ACTIVITIES: | | | | |
| Borrowings (net) | 93666187.18 | -509678056.77 | 936.66 | -5096.81 |
| Dividend paid including tax | -16248282.00 | -16248282.00 | -162.48 | -162.48 |
| Finance costs | -95646748.00 | -140244918.38 | -956.47 | -1402.45 |
| Net Cash from Financing Activities | -18228842.82 | -666171257.15 | -182.29 | -6661.74 |
| Net Increase/ (Decrease) in cash and cash equivalents | -12487261.72 | -34221206.12 | -124.88 | -342.21 |
| Cash and Cash Equivalents as at the beginning of the period | 16811667.33 | 51032873.45 | 168.12 | 510.33 |
| Cash and Cash Equivalents as at the end of the period | 4324405.61 | 16811667.33 | 43.24 | 168.12 |
| | (A+B+C) | (A+B+C) | (A+B+C) | (A+B+C) |



INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. Amarjothi Spinning Mills Limited,

Report on the Audit of the Standalone Financial Statements

Opinion

I have audited the accompanying standalone financial statements of M/S Amarjothi Spinning Mills Limited, ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian accounting Standards) Rules, 2015, as amended, ("ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am 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 the Rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

2

Information Other than the Standalone Financial Statements and Auditor's Report thereon:

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management discussion and analysis, Board's report including annexures to Board's report, business responsibility report, corporate governance and shareholder's information, but does not include the standalone financial statements and my auditor's report thereon.

My opinion on the standalone financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated.

If based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9

In preparing the standalone financial statements, the Management is 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 Management 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 Company's financial reporting process.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, I give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 197(16) of the Act, as amended in my opinion and to the best of my information and according to the explanations given to me, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 187 of the Act.

3. As required by Section 143(3) of the Act, I report that:

(a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.

(b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

2

(d) In my opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

(f).With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in my opinion and to the best of my information and according to the explanations given to me:

1. The Company does not have any pending litigations which would impact its financial position
2. The Company did not have any long term contracts including derivative contracts for which were any material foreseeable losses.
3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

P. S. Sitaram

P.S.SITARAM

Signature

Proprietor

(Membership No.023033)

Place: COIMBATORE

Date:29th JUNE 2020

UDIN:20023033AAAAAM7381



INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. Amarjothi Spinning Mills Limited,

Report on the Audit of the Consolidated Financial Statements

Opinion

I have audited the accompanying consolidated financial statements of M/S Amarjothi Spinning Mills Limited, (hereinafter referred to as "the Holding Company") and its subsidiaries and associates (the holding company and its subsidiaries and associates together referred to as "the Group"), which comprise the Consolidated balance sheet as at 31st March 2020, and the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "The Consolidated Financial Statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31 st March, 2020, its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are the rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of

Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon:

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's information, but does not include the Consolidated financial statements and my auditor's report thereon.

My opinion on the Consolidated financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the Consolidated financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated.

If based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

2

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the group are responsible for assessing the Group'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 Management 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 companies included in the Group is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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 statements.

Report on Other Legal and Regulatory Requirements

1. As required by section 197(16) of the Act, as amended in my opinion and to the best of my information and according to the explanations given to me, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act

2. As required by Section 143(3) of the Act, I report that:

a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit of the aforesaid consolidated financial statements.

b. In my opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from my examination of those books

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated financial statements.

9
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d. In my opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 and taken on record by the Board of Directors of the Holding company and the reports of the Statutory auditors of the associate and subsidiary companies, none of the directors of the group is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to my separate Report in "Annexure A".

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in my opinion and to the best of my information and according to the explanations given to me:

1. The Group does not have any pending litigations which would impact its financial position.
2. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

P. S. Sitaram

P.S.SITARAM

Signature

Proprietor

(Membership No.023033)

Place: COIMBATORE

Date: 29th JUNE 2020

UDIN:20023033AAAAAP5535