



# EUROTEX INDUSTRIES AND EXPORTS LIMITED

Registered Office: 1110, Raheja Chambers, 11<sup>th</sup> Floor, 213, Nariman Point, Mumbai – 400 021.

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CIN : L70200MH1987PLC04259

12<sup>th</sup> September, 2020

1) The Secretary

**Bombay Stock Exchange Limited**  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort, Mumbai - 400 001.  
Stock Code: 521014

(BY BSE LISTING CENTRE)

2) The Secretary

**National Stock Exchange of India Limited**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G- Block,  
Bandra-Kurla Complex,  
Bandra (East), Mumbai - 400 051.  
Stock Code: EUROTEXIND

(BY NSE NEAPS)

Dear Sir / Madam,

**SUB: LIMITED REVIEW REPORT AND UNAUDITED FINANCIAL RESULTS OF THE COMPANY FOR THE QUARTER ENDED 30<sup>TH</sup> JUNE, 2020.**

As required by Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Limited Review Report and Unaudited Financial Results of the Company for the quarter ended 30<sup>th</sup> June, 2020 from our Auditors, SVP & Associates.

The Limited Review Report as well as the Unaudited Financial Results of the Company for the quarter ended 30<sup>th</sup> June, 2020 has been approved in the Board Meeting held on 12<sup>th</sup> September, 2020.

This is for your kind information and records.

Thanking you,

Yours faithfully,

For **EUROTEX INDUSTRIES AND EXPORTS LIMITED**

RAHUL Digitally signed  
by RAHUL  
RAWAT  
RAWAT Date: 2020.09.12  
18:28:55 +05'30'

**RAHUL RAWAT**  
**COMPANY SECRETARY**

Encls: As above



**LIMITED REVIEW REPORT**

**Review Report to Board of Directors**

1. We have reviewed the accompanying statement of unaudited financial results of **Eurotex Industries and Exports Limited** ("the Company") for the quarter ended 30<sup>th</sup> June, 2020 attached herewith, being submitted by the Company pursuant to the requirements of Regulations 33 of The SEBI (Listing, Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Obligations'). The statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on this financial Statement based on our review.
2. We conducted our review of Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review, conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian accounting standards (IND AS) and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circular issued from time to time including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. **Material Uncertainty Related to Going Concern**

Without qualifying, we draw your attention to the fact that this financial results has been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business although the Company has incurred cash loss during the current period, losses during the last couple of previous periods/years and that most of the operations of the Company have come to a grinding halt as a result of severe indiscipline by workers as well as severe inter-union rivalry and due to lack of working capital. As explained by the management, prospective lenders are being pursued for additional working capital and exploring alternate sources for additional funds to restructure the operations after proper evaluation and accordingly, these financial results have been prepared on a going concern basis.

5. **Emphasis of Matters**

(a) Attention is invited to Note no.3 of financial results regarding dispute **with authorities** in respect of 'lay off' of workers. The matter in respect of which is subjudice and pending before the Honorable Supreme Court and the management expect a favourable outcome.

(b) We draw your attention to Note no.4 of the financial results with regard to management's assessment about the impact on Company's operations due to COVID 19 pandemic outbreak and lockdown. The management apart from considering the internal and external information up to the date of approval of these financial results, the Company has also performed sensitivity analysis on the assumptions used interalia, including in respect of realisability of inventories of Rs.710.52 lakhs, recoverability of trade receivables of Rs.122.84 lakhs and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of all these assets.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements. Considering the continuing uncertainties, as explained, the Management will continue to closely monitor any material changes to future economic conditions.

Our report is not modified in respect of these matters.

**6. Other Matters:**

Attention is drawn to the fact that figure of the 3 months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the previous financial year. The figure up to the end of third quarter of previous financial year had only been reviewed and subjected to audit.

Our opinion is not modified in respect of this matter

Mumbai  
12<sup>th</sup> September, 2020

**For SVP & Associates  
Chartered Accountants  
Firm Registration No. 003838N**

**YOGESH KUMAR  
SINGHANIA**

**Yogesh Kumar Singhania  
Partner  
Membership No. 111473  
UDIN : 20111473AAAAAL2600**

Digitally signed by YOGESH KUMAR SINGHANIA  
DN: cn=, o=Mumbai  
c=IN, email=, ou=, postalCode=400001  
street=B-601, locality=Palanga, postalCode=Thakur Village,  
serialNumber=, email=, postalCode=15230606556470733,  
serialNumber=, postalCode=15230606556470733,  
ou=KUMAR SINGHANIA,  
pseudoym=811848486476515739ca60  
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**EUROTEX INDUSTRIES AND EXPORTS LIMITED**

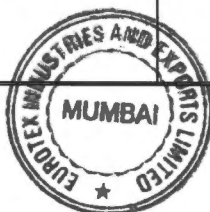
REGD. OFFICE : 1110, RAHEJA CHAMBERS, 11TH FLOOR, 213, NARIMAN POINT, MUMBAI - 400 021

CIN : L70200MH1987PLC042598

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2020**

(Rs. in Lakhs)

1	2	3	4	5	6
S. No.	Particulars	3 Months ended	3 Months ended	3 Months ended	Previous year ended
		(30/06/2020)	(31/03/2020)	(30/06/2019)	(31/03/2020)
		Unaudited	Audited	Unaudited	Audited
			Refer Note 5		
1	Revenue from Operations	448.12	987.42	1,593.83	4,205.77
2	Other Income	31.79	60.12	55.45	753.86
3	<b>Total Revenue (1+2)</b>	<b>479.91</b>	<b>1,047.54</b>	<b>1,649.28</b>	<b>4,959.63</b>
4	<b>Expenses:</b>				
	(a) Cost of materials consumed	-	57.72	127.11	1,396.64
	(b) Purchase of Stock-in-Trade	60.95	219.89	390.35	958.02
	(c) Changes in inventories of finished goods, work-in-progress & Stock-in-Trade	284.62	626.57	898.69	1,388.93
	(d) Employee benefits expense	68.23	241.57	493.85	1,827.15
	(e) Power & Fuel	4.30	15.24	34.35	99.09
	(f) Finance costs	99.69	89.54	117.80	446.58
	(g) Depreciation and amortisation expense	91.69	91.83	92.72	371.04
	(h) Other expenses	94.95	135.52	205.18	652.14
	<b>Total Expenses (a to h)</b>	<b>704.43</b>	<b>1,477.88</b>	<b>2,360.05</b>	<b>7,139.59</b>
5	<b>Loss before tax (3-4)</b>	<b>(224.52)</b>	<b>(430.34)</b>	<b>(710.77)</b>	<b>(2,179.96)</b>
6	<b>Tax Expenses</b>				
	Deferred tax	(74.56)	56.26	(292.96)	(304.44)
	<b>Tax Expenses</b>	<b>(74.56)</b>	<b>56.26</b>	<b>(292.96)</b>	<b>(304.44)</b>
7	<b>Loss for the period (5-6)</b>	<b>(149.96)</b>	<b>(486.60)</b>	<b>(417.81)</b>	<b>(1,875.52)</b>
8	<b>Other Comprehensive Income</b>				
	(i) Items that will not be reclassified to profit or loss:				
	(a) Remeasurement of the net defined benefit liabilities/ (assets)	(46.98)	(202.91)	6.77	(187.91)
	(b) Equity instruments through other comprehensive income	20.54	(15.87)	(18.53)	(160.74)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	6.65	55.06	1.96	88.54
9	<b>Total Comprehensive Income for the period</b>	<b>(169.75)</b>	<b>(650.32)</b>	<b>(427.61)</b>	<b>(2,135.63)</b>
10	<b>Paid up equity share capital</b> (Face value : Rs.10 per share)	874.02	874.02	874.02	874.02
11	<b>Other equity</b>	-	-	-	(446.37)
12	<b>Earning Per Share (of Rs.10 each)</b>				
	a) Basic (Not to be annualized)	(1.72)	(5.55)	(4.78)	(21.43)
	b) Diluted (Not to be annualized)	(1.72)	(5.55)	(4.78)	(21.43)



**Notes:**

- 1 The above unaudited financial results have been reviewed by the Audit Committee and were thereafter approved and taken on record by the Board of Directors in their meeting held on 12th September, 2020. The Statutory Auditors have carried out Limited Review of the above results for the quarter ended 30th June, 2020 as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The Company has only single reportable business segment i.e. 'Yarn segment' in terms of requirements of Ind AS 108 and has its operations / assets located in India.
- 3 Results for the current quarter have been adversely affected mainly due to unfair and illegal activities and a strike started by workers from 3rd November, 2018 in Plant E-23 (Mill). The Spinning Mill restarted from 9th February, 2019 after getting prescribed consent letters of good conduct from all the workers as directed by Hon'ble Industrial Court. However, the Mill has come to a grinding halt again w.e.f. 25th March, 2019 due to persistent labour problems and for want of raw material, paucity of working capital and disconnection of power. Disputed labour dues in respect of 'lay off' workers, the matter in respect of which is subjudice, pending before the Honorable Supreme Court and the management expects a favourable outcome. The management is pursuing the lenders for additional working capital and exploring alternate sources of additional funds needed to resume operations and accordingly, the financial statements have been prepared on a going concern basis.
- 4 The operations of the Mills came to a grinding halt w.e.f. 25th March, 2019 due to persistent labour problems and consequences thereof. The Company was making efforts to resolve the situation. In the meantime, there was an outbreak of Pandemic 'Novel Coronavirus' ("COVID - 2019") and consequent Lockdown announced by the Centre and State Governments on 23rd March, 2020. Till now the grinding halt of Mills operation continues.  
In view of the above, there will be adverse impact on the Company's financials due to continuous losses. The management however, has considered the possible future effects, that may inter-alia, impact the carrying amounts of inventories and trade receivables. The Management will closely monitor any material changes due to future economic conditions and take necessary measures to address the situation.
- 5 The figures for the quarter ended March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter for the relevant financial year which were subjected to limited review by the statutory auditors.
- 6 Figures of current quarter are not comparable with corresponding quarter due to the reasons as stated in Note 3 above.
- 7 Previous periods' figures have been regrouped / rearranged, wherever necessary to make them comparable to current quarter's presentation.

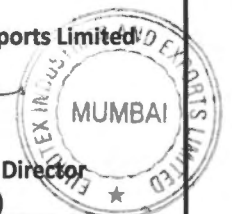
For Eurotex Industries and Exports Limited



K.K. Patodia

Chairman and Managing Director

(DIN : 00027335)



Place : Mumbai

Date : 12th September, 2020