



S.P.APPARELS LTD.

Regd. Office : 39-A, Extension Street, Kaikattipudur, AVINASHI - 641 654, Tamil Nadu, India.
Phone : +91-4296-714000 E-mail : spindia@s-p-apparels.com
Web : www.s-p-apparels.com CIN No.: L18101TZ2005PLC012295



17 July, 2020

The Listing Department
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

The Listing Department
National Stock Exchange of India Limited
'Exchange Plaza',
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051.

Scrip Code: 540048

Symbol: SPAL

Sub: Revision in the Consolidated and Standalone Cash flow statements for the year ended 31.03.2020

Dear Sirs,

This is with reference to our letter dated 26th June, 2020 submitted for the outcome of Board meeting held on 26th June, 2020, we hereby submitting the revised audited Cash flow statement (standalone and consolidated) of the Company for the year ended 31.03.2020 for the following reasons:

Revision in the audited Cash flow statement (standalone and consolidated) of the Company for the year ended 31.03.2020 due to some technical error in the excel file. However due to such revision there is no impact on the Statement of Assets and Liabilities and Income statements submitted earlier (standalone and consolidated).

We are sending herewith the Certified True Copies of the aforesaid Results along with the Auditors report issued by the Statutory Auditors of the Company, Statement of Assets and Liabilities and Income statements, Cash flow and Declaration as per LODR for unmodified opinion.

Kindly take the above on your record.

Thanking you,

For S.P.Apparels Limited,

K. Vinodhini
Company Secretary and Compliance Officer

INDEPENDENT AUDITOR'S REPORT**To the Board of Directors of S.P.Apparels Limited****Report on the audit of the Consolidated Financial Results****Opinion**

We have audited the accompanying Statement of Consolidated Financial Results of **S.P.Apparels Limited** ("Holding company") and its subsidiaries (holding company and its subsidiaries together referred to as "the Group"), for the year ended March 31, 2020 ("the Statement"), attached herewith being submitted by the holding 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 financial statements of subsidiaries, the Statement:

a. includes the results of the following entities:

- S P Apparels Limited (Holding Company)
- Crocodile Products Private Limited (Holds 70%)
- S P Apparels (UK) (P) Limited (Wholly owned subsidiary).

b. are 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 income and other financial information of the Group for the year ended 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 Consolidated Financial Results section of our report. We are 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 relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 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.



Management's Responsibilities for the Consolidated Financial Results

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

The Holding 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/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 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. The respective Board of Directors of the companies included in the Group are responsible for 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group 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 are responsible for overseeing the financial reporting process of the Group.

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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- 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 Group 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 Group 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 entities within the Group to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such 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. Our responsibility in this regard are further described in section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding 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 number CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.



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Other Matters

The consolidated Financial statement include the audited Financial Results of a subsidiary, whose Financial Statements Group's share of total assets of Rs.9.17 Million as at March 31, 2020, Group's share of total revenue of Rs.(13.68) Million for the quarter and Rs. 11.47 Million for the year and Group's share of total net profit/(loss) after tax of Rs.(6.56) Million for the quarter and Rs. (1.24) Millions for the year respectively, as considered in the consolidated Financial Results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statement of the entity have been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of the entity, is based solely on the report of such auditors.

The consolidated Financial statement include the unaudited Financial Results of a subsidiary, whose Financial Statement reflect Group's share of total assets of Rs.209.06 Million as at March 31, 2020, Group's share of total revenue of Rs. 114.04 Million for the quarter and Rs.505.14 Million for the year and Group's share of total net profit/(loss) after tax of Rs. 2.37 Million for the quarter and Rs.12.61 Million for the year, as considered in the consolidated Financial Results. This unaudited Financial Statement have been furnished to us by the Board of Directors and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited Financial Statement. In our opinion and according to the information and explanations given to us by the Board of Directors, this Financial Statement is not material to the Group.

Our opinion on the consolidated Financial 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 statement certified by the Board of Directors.

The statement includes the results for the quarter ended March 31, 2020, being the balancing figure between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subjected to limited review by us.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

W K Giridharan

D K Giridharan

Partner

Membership No: 028738



Place: Chennai

Date: June 26, 2020

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S.P. Apparels Limited CIN: L18101T22005PLC012295 Regd. Office: 39-A, Extension Street, Kakatiapuram, Avinashi- 641 654, Tirupur, Tamilnadu Tel : +91-4296-714000, Fax : +91-4296-714280, 714281 E-mail: ceo@spapparels.com, Website: www.spapparels.com Audited Consolidated statement of financial position as at March 31, 2020 (Prepared in Compliance with Indian Accounting Standards - IND AS)		
Details	As at March 31, 2020 [Audited] Rs in Millions	As at 31, 2019 [Audited] Rs in Millions
ASSETS		
Non Current Assets		
a. Property, Plant and Equipment	3,964.82	3,107.31
b. Right of Use Assets	414.08	-
c. Capital work-in-progress	-	540.22
d. Intangible Assets	60.52	61.30
	4,439.42	3,708.83
Financial Assets		
- Investments	1.88	2.21
- Loans and Advances	0.63	0.63
- Others	176.34	169.73
f. Other non-current assets	21.06	127.14
	4,639.33	4,008.54
Current Assets		
a. Inventories	2,277.56	2,479.49
b. Financial Assets		
- Investments	-	0.58
- Trade Receivables	940.41	1,284.36
- Cash and cash equivalents	463.01	581.44
- Others	-	113.12
c. Other current assets	604.36	397.82
	4,285.34	4,866.81
Total Assets	8,924.67	8,865.45
EQUITY AND LIABILITIES		
Equity		
a. Equity Share capital	256.93	256.93
b. Other Equity	4,975.29	4,581.67
	5,232.22	4,838.60
Minority Interest	(64.16)	(63.81)
Liabilities		
Non-current liabilities		
a. Financial Liabilities		
- Borrowings	616.03	262.92
- Other Financial liabilities	132.36	147.10
b. Deferred tax liabilities (net)	201.19	349.66
	949.60	759.68
Current liabilities		
a. Financial Liabilities		
- Borrowings	1,555.16	1,743.59
- Trade payables	845.03	1,094.84
- Other Financial liabilities	253.46	294.97
b. Other current liabilities	72.19	32.78
c. Provisions	81.17	164.80
	2,807.81	3,330.98
Total Equity and Liabilities	8,924.67	8,865.45

See accompanying notes to the Financial Results

Notes:

1. The disclosure is an extract of audited balance sheet as at March 31, 2020 and audited balance sheet as at March 31, 2019 prepared in compliance with Indian Accounting Standards (IND AS) have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on June 26, 2020.



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2. The disclosure is an extract of audited statement of cashflows for the year ended March 31, 2020 and March 31, 2019 prepared in compliance with Indian Accounting Standards [IND AS] have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on June 26, 2020.

Statement of Cashflows (Consolidated)

Particulars	For the year ended March 31, 2020 [Audited] Rs in Millions	For the year ended March 31, 2019 [Audited] Rs in Millions
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and exceptional items	541.40	1,094.45
<u>Adjustments for:</u>		
Depreciation and amortization expense	299.34	215.88
(Profit) loss on Sale of assets	9.18	3.24
Amortisation of Lease prepayments	(3.94)	(1.96)
Bad debts written off	14.32	5.14
Advances written off	-	20.80
Provision for Inventory	-	2.00
Provision for Doubtful Debts	-	5.00
Provision for Interest on Income Tax	-	7.42
Other Adjustments	(0.97)	54.69
Finance costs	179.21	55.02
Interest income	(14.57)	(20.03)
Unrealised exchange (gain)/loss	22.19	(212.53)
Provision for MTM (gain)/loss on forward contracts	58.45	(142.60)
	1,104.61	1,086.52
Operating profits before working capital changes		
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	187.35	(608.41)
Trade receivables	330.65	336.29
Loans and advances/Current assets	(423.97)	50.26
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables/Other current liabilities/Provisions	(244.18)	100.57
Cash Generated from Operations	954.46	965.23
Net income tax (paid) / refunds	(127.40)	(141.90)
Cash flow before exceptional item	827.06	823.33
Exceptional Item	-	-
Net cash flow from / (used in) operating activities (A)	827.06	823.33
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, including capital advances	(515.44)	(862.72)
Proceeds from sale of fixed assets	4.05	4.83
Bank deposits not considered as cash equivalents	107.14	(75.37)
Purchase of investments - Others	(0.03)	-
Proceeds from sale of investments - Others	0.94	308.71
Dividend received - Others	-	-
Interest received - Bank deposits	14.57	20.12
Net cash flow from / (used in) investing activities (B)	(388.77)	(604.43)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of equity share capital	-	5.25
Proceeds/(repayment) of long term borrowings and finance lease liabilities	(40.15)	(60.29)
Net Increase/(decrease) of working capital borrowings	(230.19)	33.10
Dividend Paid	-	(12.83)
Finance costs	(179.21)	(133.82)
Net cash flow from / (used in) financing activities (C)	(449.55)	(168.59)
Net increase / (decrease) in Cash and bank balances (A+B+C)	(11.26)	50.31
Cash and bank balances at the beginning of the year	145.14	94.84
Effect of exchange differences on restatement of foreign currency Cash and bank	(0.03)	(0.01)
Cash and bank balances at the end of the year	133.85	145.14
Cash and bank balances at the end of the year comprises of		
(a) Cash on hand	30.98	37.32
(b) Balances with banks		
in current account	99.91	107.65
in EEFC account	2.96	0.17
	133.85	145.14

3. These financial results have been prepared in accordance with Indian Accounting Standard ('Ind As') prescribed under section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated July 5, 2016.

4. Based on the internal reporting provided to the Chief of Decision Maker, the business of Garment sales is only the reportable segment of the company.

5. Effective 01.04.2019, the Company has adopted Ind AS 116-leases, applied to its existing lease contracts on April 1, 2019 using the modified retrospective approach.

6. As per the directives of both the Central and State Government in the wake of COVID-19 pandemic, the Company had suspended operation across various locations w.e.f. March 21, 2020.

Recoverability of receivables, inventory, carrying amount of Property, Plant and Equipment and certain investments have been assessed based on the information available within the Company. The Company has performed impairment testing and assessed that carrying amount of these assets will be recovered. The impact of global health pandemic may be different from the date of approval of Financial Statements.

The Company has assessed the external environment, short term and long term liquidity position, Company's mitigative actions regarding material uncertainties related to global health pandemic of COVID-19 and on that basis of assessment, the Company expects these uncertainties do not cast significant doubt upon the ability of the Company to continue as a going concern.

Operation have been resumed in a phased manner at various location from May 11, 2020, taking cognizance of the Government views around resuming manufacturing activities with controlled entry and exit facilities, and after obtaining necessary permissions on this behalf.

7. Previous period figures have been regrouped / reclassified, wherever necessary, to conform to the current period classification / presentation.

For S.P.Apparels Limited

Place :

Date : June 26, 2020

P.Sundararajan
Managing Director
DIN : 00003380

V.Balaji
Chief Financial Officer



Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2020		Rupees in millions except EPS and unless otherwise stated			
S.No.	Particulars	Quarter ended March 31, 2020		Quarter ended March 31, 2019	
		[Audited] Rs in Millions	[Unaudited] Rs in Millions	[Audited] Rs in Millions	[Audited] Rs in Millions
1	Revenue from operations	1,693.67	1,766.95	2,222.24	8,069.66
2	Other income	11.25	46.86	1.76	237.07
	Total Income (3 = 1+2)	1,693.23	1,810.91	2,230.11	8,326.73
4	Expenses				
4	Cost of materials and services consumed	405.20	526.80	631.85	2,407.81
5	Purchases of Stock-in-Trade - Traded goods	236.80	236.80	221.30	394.27
6	Changes in Inventories of finished goods, stock-in-trade and work-in-progress - (Increase)/Decrease	116.64	(6.34)	51.31	174.50
	Total Expenses (11 = 4 to 10)	757.13	746.42	904.46	3,566.98
7	Employee benefits expense	443.82	438.96	554.55	1,961.37
8	Finance costs	54.23	56.40	227.81	1,872.24
9	Depreciation and amortisation expense	83.40	75.00	54.86	62.44
10	Other expenses	305.03	341.29	433.20	215.88
	Total Expenses (11 = 4 to 10)	1,633.61	1,665.19	1,931.33	1,787.18
	Profit (Loss) before exceptional items and tax (12 = 3 less 11)	51.62	145.81	298.78	7,203.71
13	Exceptional items		97.31		1,094.45
	Net Profit/(Loss) for the period before tax (14 = 12 less 13)	51.62	53.50	298.78	1,694.45
	Tax expense:				
(a)	Current tax expense	12.51	11.83	156.43	105.55
(b)	Short / (Excess) provision for tax relating to prior years	1.73			303.44
(c)	Deferred Tax	9.29	22.72	(48.54)	(7.55)
	Total Tax expense (15 = a+b+c)	23.53	34.55	107.89	(6.13)
	Net Profit/(Loss) for the period after tax (16 = 14 less 15)	28.09	18.95	190.89	1,700.58
	Other Comprehensive Income for the period				
A (i)	Items that will not be reclassified to Profit or Loss	2.04	2.93	4.51	4.92
	Actuarial gain/(loss) on defined benefit plans	(0.52)	(0.13)	(1.58)	(1.72)
(ii)	Income tax relating to items that will not be reclassified to Profit or Loss				
B (i)	Items that will be reclassified to Profit or Loss	(20.24)	(72.16)	(57.53)	(105.37)
	The effective portion of gain/(loss) on hedging instruments in a cash flow hedge				
(ii)	Income tax relating to items that will be reclassified to Profit or Loss	5.09	18.17	20.10	26.52
	Total Other Comprehensive Income (net of taxes) (17)	(13.03)	(51.81)	(34.50)	(80.73)
	Minority Interest (18)	1.97	(0.35)	1.46	0.61
	Total Comprehensive Income/(Loss) for the period after tax (19 = 16 plus 17 plus 18)	16.43	(33.21)	157.85	1,620.46
	Paid-up equity share capital (face value Rs. 16/-) [Amount]	256,926,000	256,926,000	256,926,000	256,926,000
	Earning Per Share (Rs.) - Basic and Diluted (Net Profit/(Loss) for the period after tax/Weighted average number of equity shares)	1.09	0.74	7.43	18.26



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See accompanying notes to the Financial Results

Notes:

1. The above audited consolidated financial results for the quarter and year ended March 31, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on June 26, 2020. This statement has been prepared in accordance with the recognition principle laid down in Indian Accounting Standards 34 "Interim Financial Reporting" [IND AS 34], prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies.
2. Based on the internal reporting provided to the Chief of Decision Maker, the business of Garment sales is only the reportable segment of the group.
3. Effective 01.04.2019, the Group has adopted Ind AS 116-leases, applied its existing lease contracts on April 1, 2019 using the modified retrospective approach.
4. Pursuant to the amendment in the Income Tax Act, 1961 effective 20.09.2019, which provides for an option to Domestic Companies to pay Income Tax at reduced rates, the current tax expenses of the company reduced by Rs.40.18 Million and the deferred tax income of the company increased by Rs.128.26 Million for the year ended March 31, 2020.
5. The results for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between Standalone audited figures of the full financial year ended March 31, 2020 and March 31, 2019 respectively and the published unaudited year to date figures up to the third quarter of the previous financial years were subjected to limited review.
6. Exceptional item relates to Merchandise Export from India Scheme (MEIS) export incentive accounted as income in earlier quarters which was derecognized in the Quarter ended December 31, 2019 in order give effect to Notification dated January 14, 2020 of Ministry of Textiles withdrawing MEIS retrospectively from March 07, 2019.
7. As per the directives of both the Central and State Government in the wake of COVID-19 pandemic, the Company had suspended operation across various locations w.e.f. March 21, 2020. Recoverability of receivables, inventory, carrying amount of Property, Plant and Equipment and certain investments have been assessed based on the information available within the Company. The Company has performed impairment testing and assessed that carrying amount of these investments will be recovered. The impact of global health pandemic may be different from the date of approval of Financial Statements.
8. The Company has assessed the external environment, short term and long term position, Company's mitigative actions regarding material uncertainties related to global health pandemic of COVID-19 and on that basis of assessment, the Company expects these uncertainties do not cast significant doubt upon the ability of the Company to continue as a going concern.
9. Operation have been resumed in a phased manner at various location from May 11, 2020, taking cognizance of the Government Views around resuming manufacturing activities with controlled entry and exit facilities, and after seeking necessary permissions on this behalf.
10. The consolidated financial results includes the interim financial results of one subsidiaries which have been consolidated based on management accounts, whose interim financial results reflect total revenue of Rs. 505.14 million for the year ended March 31, 2020 and Total Comprehensive Income of Rs. 12.61 millions for the year ended March 31, 2020 as considered in the consolidated financial results.
11. Tax on Consolidated financial statements is calculated after adjusting subsidiaries profit with carried forward losses.
12. Previous period figures have been regrouped / reclassified, wherever necessary, to conform to the current period classification / presentation.

For S.P. Apparels Limited

Place :

Date : June 26, 2020

V Balaji
Chief Financial Officer



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INDEPENDENT AUDITOR'S REPORT**To the Board of Directors of S.P.Apparels Limited****Report on the Audit of the Standalone Financial Results****Opinion**

We have audited the accompanying standalone financial results of **S.P.Apparels Limited** (the Company) for the year ended 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 ("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 Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the year ended 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 results under the provisions of the Companies Act, 2013 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.

Management's Responsibilities for the Standalone Financial Results

These financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 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 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 results, 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- 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.

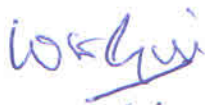
Other Matter:

The statement includes the results for the quarter ended March 31, 2020, being the balancing figure between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subjected to limited review by us.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

**D K Giridharan**

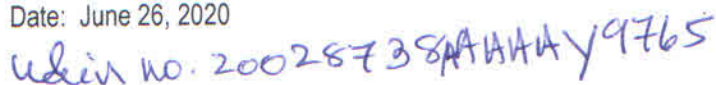
Partner

Membership No: 028738



Place: Chennai

Date: June 26, 2020



S.P. Apparels Limited		
CIN: L18101TZ2005PLC012295		
Regd. Office: 39 - A, Extension Street, Kakattipudur, Avinashi - 641 654, Tirupur, Tamilnadu		
Tel.: +91-4296-714000, Fax.: +91-4296-714280, 714281, E-mail: csoffice@s-p-apparels.com, Website: www.s-p-apparels.com		
Audited Standalone statement of financial position as at March 31, 2020		
(Prepared in Compliance with Indian Accounting Standards - IND AS)		
Details	As at March 31, 2020 [Audited]	As at March 31, 2019 [Audited]
	Rs in Millions	Rs in Millions
ASSETS		
Non Current Assets		
a. Property, Plant and Equipment	3,956.98	3,099.27
b. Right of Use Assets	414.08	-
c. Capital work-in-progress	-	540.22
d. Intangible Assets	24.89	42.85
	4,395.95	3,682.34
e. Financial Assets		
- Investments	81.37	81.70
- Loans and Advances	0.83	18.14
- Others	171.40	164.79
f. Other non-current assets	20.95	127.03
	4,670.30	4,074.00
Current Assets		
a. Inventories	2,275.82	2,479.49
b. Financial Assets		
- Investments	-	0.58
- Trade Receivables	657.23	1,207.33
- Cash and cash equivalents	408.87	531.94
- Others	-	113.12
c. Other current assets	603.03	436.34
	4,144.95	4,768.80
Total Assets	8,815.25	8,842.80
EQUITY AND LIABILITIES		
Equity		
a. Equity Share capital	256.93	256.93
b. Other Equity	4,963.30	4,597.58
	5,220.23	4,854.51
Liabilities		
Non-current liabilities		
a. Financial Liabilities		
- Borrowings	590.99	240.49
- Other Financial liabilities	132.38	147.10
b. Deferred tax liabilities (net)	232.55	384.18
	955.92	771.77
Current liabilities		
a. Financial Liabilities		
- Borrowings	1,480.14	1,716.22
- Trade payables	751.99	1,012.91
- Other Financial liabilities	253.46	294.97
b. Other current liabilities	72.18	28.23
c. Provisions	81.33	164.19
	2,639.10	3,216.52
Total Equity and Liabilities	8,815.25	8,842.80

See accompanying notes to the Financial Results

Notes:

1. The disclosure is an extract of audited balance sheet as at March 31, 2020 and audited balance sheet as at March 31, 2019 prepared in compliance with Indian Accounting Standards [IND AS] have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on June 26, 2020.



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2. The disclosure is an extract of audited statement of cashflows for the year ended March 31, 2020 and March 31, 2019 prepared in compliance with Indian Accounting Standards [IND AS] have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on June 26, 2020.

Statement of Cashflows (Standalone)

Particulars	For the year ended March 31, 2020 [Audited]	For the year ended March 31, 2019 [Audited]
	Rs in Millions	Rs in Millions
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and exceptional items	506.46	1,047.00
<u>Adjustments for:</u>		
Depreciation and amortization expense	316.32	232.79
(Profit) /loss on Sale of assets	9.18	3.24
Amortisation of Lease prepayments	(3.94)	(1.96)
Bad debts written off	14.32	5.14
Advances written off	-	20.80
Provision for Inventory	-	2.00
Provision for Doubtful Debts	-	5.00
Provision for Interest on Income Tax	-	7.42
Other Adjustments	(0.97)	54.69
Finance costs	175.60	53.39
Interest income	(14.37)	(20.01)
Unrealised exchange (gain)/loss	22.19	(212.53)
Provision for MTM (gain)/loss on forward contracts	58.45	(142.60)
Operating profits before working capital changes	1,083.24	1,054.37
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	189.08	(610.55)
Trade receivables	336.80	355.35
Loans and advances/Current assets	(363.39)	10.03
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables/Other current liabilities/Provisions	(250.04)	109.38
Cash Generated from Operations	995.69	918.58
Net income tax (paid) / refunds	(126.39)	(136.64)
Cash flow before exceptional item	869.30	781.94
Exceptional Item	-	-
Net cash flow from / (used in) operating activities (A)	869.30	781.94
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, including capital advances	(515.44)	(862.72)
Proceeds from sale of fixed assets	4.05	4.83
Bank deposits not considered as cash equivalents	107.23	(75.36)
Purchase of investments - Others	(0.03)	-
Proceeds from sale of investments - Others	0.94	308.71
Interest received - Bank deposits	14.37	20.10
Net cash flow from / (used in) investing activities (B)	(388.88)	(604.44)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of equity share capital	-	5.25
Proceeds/(repayment) of long term borrowings and finance lease liabilities	(43.44)	(52.01)
Net Increase/(decrease) of working capital borrowings	(277.19)	23.34
Dividend Paid	-	(12.83)
Finance costs	(175.60)	(132.19)
Net cash flow from / (used in) financing activities (C)	(496.23)	(168.44)
Net increase / (decrease) in Cash and bank balances (A+B+C)	(15.81)	9.06
Cash and bank balances at the beginning of the year	95.90	86.85
Effect of exchange differences on restatement of foreign currency Cash and bank balances	(0.03)	(0.01)
Cash and bank balances at the end of the year	80.06	95.90
Cash and bank balances at the end of the year comprises of		
(a) Cash on hand	30.98	37.32
(b) Balances with banks		
in current account	46.12	58.41
in EEFC account	2.96	0.17
	80.06	95.90

3. These financial results have been prepared in accordance with Indian Accounting Standard ('Ind As') prescribed under section 133 of the Companies Act, 2013 read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated July 5, 2016.

4. Based on the internal reporting provided to the Chief of Decision Maker, the business of Garment sales is only the reportable segment of the company.

5. Effective 01.04.2019, the Company has adopted Ind AS 116-leases, applied to its existing lease contracts on April 1, 2019 using the modified retrospective approach.

6. As per the directives of both the Central and State Government in the wake of COVID-19 pandemic, the Company had suspended operation across various locations w.e.f. March 21, 2020.

Recoverability of receivables, inventory, carrying amount of Property, Plant and Equipment and certain investments have been assessed based on the information available within the Company. The Company has performed impairment testing and assessed that carrying amount of these assets will be recovered. The impact of global health pandemic may be different from the date of approval of Financial Statements.

The Company has assessed the external environment, short term and long term liquidity position, Company's mitigative actions regarding material uncertainties related to global health pandemic of COVID-19 and on that basis of assessment, the Company expects these uncertainties do not cast significant doubt upon the ability of the Company to continue as a going concern.

Operation have been resumed in a phased manner at various location from May 11, 2020, taking cognizance of the Government views

around resuming manufacturing activities with controlled entry and exit facilities, and after obtaining necessary permissions on this behalf.

7. Previous period figures have been regrouped / reclassified, wherever necessary, to conform to the current period classification / presentation.

For S.P.Apparels Limited

P.Sundararajan
Managing Director
DIN : 00003380

V.Balaji
Chief Financial Officer

Place :

Date : June 26, 2020



S.P. Apparels Limited

CIN: L18101Tamil Nadu09012235

Regd. Office: 35 - A, Extension Street, Kattappur, Arinjil - 641 654, Tirupur, Tamil Nadu

Tel : +91-4296-714000, Fax : +91-4296-714280, 714281 E-mail: spapparel@spapparel.com, Website: www.spapparel.com

Audited Standalone Financial Results for the quarter and year ended March 31, 2020

(Prepared in Compliance with Indian Accounting Standards - IND AS)

Statement of Audited Financial Results for the quarter and year ended March 31, 2020		(Rupees in Millions except EPS and unless otherwise stated)			
Particulars	S.No	Quarter ended March 31, 2020 [Audited]	Quarter ended December 31, 2019 [Audited]	Quarter ended March 31, 2020 [Audited]	For the year ended March 31, 2019 [Audited]
		Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
Income					
Revenue from operations	1	1,566.10	1,634.53	7,583.10	7,761.42
Other income	2	14.73	48.63	233.02	354.14
Total Income (3 = 1+2)		1,580.83	1,683.16	7,816.12	7,815.56
Expenses					
Cost of materials and services consumed	4	405.20	526.80	2,407.81	2,231.12
Purchases of Stock-in-Trade - Traded goods	5	130.94	107.94	522.87	508.02
Changes in Inventories of finished goods, stock-in-trade and work-in-progress - (Increase)/Decrease	6	117.73	(8.34)	176.59	(402.61)
Employee benefits expense	7	653.87	626.40	3,107.27	2,836.53
Finance costs	8	440.48	437.01	1,950.16	1,861.77
Depreciation and amortisation expense	9	53.15	58.45	224.21	80.81
Other expenses	10	87.61	79.28	316.32	232.79
Total Expenses (11 = 4 to 10)		2,689.31	2,388.57	12,718.76	12,776.66
Profit/(Loss) before exceptional items and tax (12 = 3 less 11)		1,533.42	1,539.71	7,314.72	6,768.56
Exceptional items	13	47.46	141.65	506.46	1,047.00
Net Profit/(Loss) for the period before tax (14 = 12 less 13)		1,580.88	1,681.36	7,821.18	7,815.56
Tax expense:					
(a) Current tax expense		11.96	11.15	102.98	376.66
(b) Short/(Excess) provision for tax relating to prior years		1.73	-	(7.59)	(16.58)
(c) Deferred Tax		5.84	22.72	120.53	(12.39)
Total Tax expense (15 = a+b+c)		19.53	33.87	312.01	359.29
Net Profit/(Loss) for the period after tax (16 = 14 less 15)		1,561.35	1,647.49	7,509.17	7,456.27
Other Comprehensive Income for the period					
A (i) Items that will not be reclassified to Profit or Loss		2.04	2.83	4.51	4.92
Actuarial gain/(loss) on defined benefit plans		(0.52)	(0.73)	(1.58)	(1.72)
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		(20.24)	(72.18)	(57.53)	(105.37)
B (i) Items that will be reclassified to Profit or Loss					
The effective portion of gain/(loss) on hedging instruments in a cash flow hedge		5.09	18.17	26.10	(13.93)
(ii) Income tax relating to items that will be reclassified to Profit or Loss		(13.63)	(51.81)	(34.50)	(40.30)
Total Other Comprehensive Income (net of taxes) (17)		(18.78)	(105.82)	(65.92)	(154.67)
Total Comprehensive Income/(Loss) for the period after tax (18 = 16 plus 17)		1,542.57	1,541.67	7,443.25	7,301.60
Paid-up equity share capital (face value Rs. 10/-) [Amount]		256,926,000	256,926,000	256,926,000	256,926,000
Earning Per Share (Rs.) - Basic and Diluted (Net Profit/(Loss) for the period after tax/Weighted average number of equity shares)		1.09	0.41	7.51	27.25



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See accompanying notes to the Financial Results

Notes:

1. The above audited standalone financial results for the quarter and year ended March 31, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on June 28, 2020.
2. This statement has been prepared in accordance with the recognition principle laid down in Indian Accounting Standards 34 "Interim Financial Reporting" (IND AS 34), prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies.
3. Based on the internal reporting provided to the Chief of Decision Maker, the business of Garment sales is only the reportable segment of the company.
4. Effective 01.04.2019, the Company has adopted Ind AS 118-leases, applied to its existing lease contracts on April 1, 2019 using the modified retrospective approach.
5. Pursuant to the amendment in the Income Tax Act, 1961 effective 20.09.2015, which provides for an option to Domestic Companies to pay Income Tax at reduced rates, the current tax expenses of the company reduced by Rs.40.15 Million and the deferred tax income of the company increased by Rs.128.31 Million for the year ended March 31, 2020.
6. The results for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between Standalone audited figures of the full financial year ended March 31, 2020 and March 31, 2019 respectively and the published unaudited year to date figures up to the third quarter of the previous financial years were subjected to limited review.
7. Exceptional item related to Merchandise Export from India Scheme (MEIS) export incentive accounted as Income in earlier quarters which was derecognized in the Quarter ended December 31, 2019 in order give effect to Notification dated January 14, 2020 of Ministry of Textiles withdrawing MEIS retrospectively from March 07, 2019.
8. As per the directives of both the Central and State Government in the wake of COVID-19 pandemic, the Company had suspended operation across various locations w.e.f. March 21, 2020. Recoverability of receivables, inventory, carrying amount of Property, Plant and Equipment and certain investments have been assessed based on the information available within the Company. The Company has performed impairment testing and assessed that carrying amount of these assets will be recovered. The impact of global health pandemic may be different from the date of approval of Financial Statements.
9. The Company has assessed the external environment, short term and long term liquidity position. Company's mitigative actions regarding material uncertainties related to global health pandemic of COVID-19 and on that basis of assessment, the Company expects these uncertainties do not cast significant doubt upon the ability of the Company to continue as a going concern. Operation have been resumed in a phased manner at various location from May 11, 2020, taking cognizance of the Government views around resuming manufacturing activities with controlled entry and exit facilities, and after obtaining necessary permissions on this behalf.
9. Previous period figures have been regrouped / reclassified, wherever necessary, to conform to the current period classification / presentation.

Place :

Date : June 28, 2020

For S.P. Apparels Limited

P. Sundararajan
Managing Director
DIN : 00003390

V. Balaji
Chief Financial Officer



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