



# 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



11<sup>th</sup> November 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**

Dear Sirs,

**Sub: Outcome of the Board Meeting**

**Ref: Our Notice dated 02.11.2020.**

Further to our Notice under reference, we wish to inform you that the Board of Directors of the Company at their Meeting held on 11<sup>th</sup> November, 2020, have approved the following Un-audited Financial Results of the Company for the Quarter ended 30.09.2020.

1. Consolidated
2. Standalone

We are sending herewith the Certified True Copies of the aforesaid Results along with the Limited Review Report issued by the Statutory Auditors of the Company.

Further the exchange was requested to note that the Audit committee, Nomination Remuneration Committee, Stakeholder Relationship Committee and Risk Management Committee was reconstituted and the details of reconstitution will filed as a separate filing under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Board Meeting Commenced at 05.00 PM and concluded at 8.10 P.M.

The Key Highlights of the financials is also enclosed.

Kindly take the above on your record.

Thanking you,

For S.P.Apparels Limited,

K. Vinodhini  
Company Secretary and Compliance Officer

**S.P.Apparels limited**

**Key Financial Highlights of Q2 FY 2020-21**

**Performance on a Consolidated Basis**

- The Revenue for the Quarter is Rs. 1902.43 Millions as against Rs.616.28 millions on QoQ basis which is growth of 209%
- Profit after Tax for the quarter is Rs. 187.81 millions as against loss Rs. 58.22 millions on a QoQ basis which is significant growth.
- Earnings per share for the quarter Rs.7.31 as against Rs. (-) 2.27 on a QoQ basis.
- Revenue for the quarter is Rs.1902.43 millions as against Rs.2558.86 millions on a YoY basis which is degrew by 26%
- Profit after Tax for the quarter Rs. 187.81 millions as against Rs.348.85 on a YoY basis.
- Earnings per share for the quarter Rs. 7.31 as against 13.58 on a YoY basis.

**Limited Review report on quarterly and year to date unaudited consolidated financial results of SP Apparels Limited under Regulations 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2005**

To the Board of Directors of  
S. P. Apparels Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results (Consolidated) of **S. P. Apparels Limited** ('the Holding Company') and its subsidiaries (the Holding company and its subsidiaries together referred to as 'the Group') for the quarter ended and year to date results for the period from April 1, 2020 to September 30, 2020, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations 2015'), which has been initialed by us for identification purposes.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS - 34), as prescribed under Section 133 of Companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.
4. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might have been identified in an audit. Accordingly, we do not express an audit opinion.
5. The Statement includes the results of the following entities:
  - a. S P Apparels Limited (Holding Company)
  - b. Crocodile Products Private Limited (Holds 70%)
  - c. S P Apparels (UK) (P) Limited (Wholly owned subsidiary).



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6. The consolidated financial results includes the interim financial results of two subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs 247.28 million and Rs 337.37 million for the quarter and half year ended September 30, 2020 respectively and Total Comprehensive Income of Rs 16.73 million and Rs 13.43 million for the quarter and half year ended September 30, 2020 respectively as considered in the consolidated financial results. The Statement of Consolidated Unaudited Assets and Liabilities as at September 30, 2020 includes Assets amounting to Rs 385.73 million as at September 30, 2020 of two subsidiaries which have not been reviewed by their auditors.

7. Based on our review conducted as stated above and except for the possible effects of the matter described in paragraph 6 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with Ind AS and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

UDIN: 20028738 AA AACM7336.

  
D K Giridharan

Partner

Membership No: 028736



Place: Chennai

Date: November 11, 2020

**S.P. Apparels Limited**  
CIN: L18101TZ2005PLC012295  
Regd. Office: 39 - A, Extension Street, Kaikattipudur, Avinashi- 641 654, Tirupur, Tamilnadu  
Tel: +91-4296-714000, Fax: +91-4296-714280, 714281 E-mail: csoffice@s-p-apparels.com, Website: www.spapparels.com  
**Unaudited Consolidated statement of financial position as at September 30, 2020**  
**(Prepared in Compliance with Indian Accounting Standards - IND AS)**

Details	As at September 30, 2020 [Unaudited]	As at March 31, 2020 [Audited]
	Rs in Millions	Rs in Millions
<b>ASSETS</b>		
<b>Non Current Assets</b>		
a. Property, Plant and Equipment	3,944.67	3,964.82
b. Right of Use Assets	393.32	414.08
c. Capital work-in-progress	69.62	-
d. Intangible Assets	60.11	60.52
	<b>4,467.72</b>	<b>4,439.42</b>
d. Financial Assets		
- Investments	153.62	1.88
- Loans and Advances	100.59	0.63
- Others	132.00	176.34
e. Other non-current assets	57.61	21.06
	<b>4,911.54</b>	<b>4,639.33</b>
<b>Current Assets</b>		
a. Inventories	2,430.59	2,277.56
b. Financial Assets		
- Trade Receivables	1,315.15	940.41
- Cash and cash equivalents	224.66	463.01
c. Other current assets	505.76	604.36
	<b>4,476.16</b>	<b>4,285.34</b>
<b>Total Assets</b>	<b>9,387.70</b>	<b>8,924.67</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
a. Equity Share capital	256.93	256.93
b. Other Equity	5,155.74	4,975.29
	<b>5,412.67</b>	<b>5,232.22</b>
<b>Minority Interest</b>	<b>(64.26)</b>	<b>(64.16)</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
a. Financial Liabilities		
- Borrowings	570.67	616.03
- Other Financial liabilities	131.28	132.38
b. Deferred tax liabilities (net)	221.21	201.19
c. Other non-current liabilities	-	-
	<b>923.16</b>	<b>949.60</b>
<b>Current liabilities</b>		
a. Financial Liabilities		
- Borrowings	1,760.87	1,555.16
- Trade payables	992.27	845.03
- Other Financial liabilities	253.51	304.56
b. Other current liabilities	33.47	21.09
c. Provisions	76.01	81.17
	<b>3,116.13</b>	<b>2,807.01</b>
<b>Total Equity and Liabilities</b>	<b>9,387.70</b>	<b>8,924.67</b>

See accompanying notes to the Financial Results

**Notes:**

- The disclosure is an extract of unaudited balance sheet as at September 30, 2020 and audited balance sheet as at March 31, 2020 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 November 11, 2020. The above results are not subjected to audit and have been only subjected to limited review by the statutory auditor of the company.
- The disclosure is an extract of unaudited statement of cashflows for the half year ended September 30, 2020 and September 30, 2019 and audited statement of cashflows for the year ended March 31, 2020 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 November 11, 2020.



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Unaudited consolidated Statement of Cashflows for the quarter and half year ended September 30, 2020

Particulars	Half year ended	Half year ended	Year ended
	September 30, 2020	September 30, 2019	March 31, 2019
	Rs. In Millions	Rs. In Millions	Rs. In Millions
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before tax	173.35	338.97	541.40
<i>Adjustments for:</i>			
Depreciation and amortization expense	162.44	140.94	299.34
(Profit) /loss on Sale of assets	0.17	10.34	9.18
Amortisation of Lease prepayments	(0.37)	(1.97)	(3.94)
Bad debts written off	12.49	13.74	14.32
Interest Expense on Right of Use Asset - IND AS	16.62		
Interest Expense on Un Sec Loan - IND AS	3.62		
Stock provision - IND AS	5.07		
Advances written off	-		
Provision for Inventory	-		
Provision for Doubtful Debts	10.00		
Provision for Interest on Income Tax	-		
Other Adjustments	-	(11.24)	(0.97)
Finance costs	2.17	96.87	179.21
Interest income	(1.81)	(7.93)	(14.57)
Dividend income	0.49		
Unrealised exchange (gain)/loss	11.02	15.95	22.19
Provision for MTM (gain)/loss on forward contracts	(6.43)	58.45	58.45
<b>Operating profits before working capital changes</b>	<b>388.83</b>	<b>654.12</b>	<b>1,104.61</b>
<i>Changes in working capital:</i>			
<i>Adjustments for (increase) / decrease in operating assets</i>			
Inventories	(153.03)	124.53	187.35
Trade receivables	(369.89)	(113.51)	330.64
Loans and advances/Current assets	49.78	(14.51)	(423.97)
<i>Adjustments for increase / (decrease) in operating liabilities</i>			
Trade payables/Other current liabilities/Provisions	190.26	(34.25)	(244.18)
<b>Cash Generated from Operations</b>	<b>105.95</b>	<b>616.38</b>	<b>954.45</b>
Net income tax (paid) / refunds	(2.98)	(282.66)	(127.40)
<b>Net Cash from Operating Activities before exceptional item</b>	<b>102.97</b>	<b>333.72</b>	<b>827.05</b>
Exceptional Item	-	-	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>102.97</b>	<b>333.72</b>	<b>827.05</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Capital expenditure on fixed assets, including capital advances	(242.22)	(309.00)	(515.44)
Proceeds from sale of fixed assets	0.23	2.60	4.05
Bank deposits not considered as cash equivalents	269.09	256.78	107.14
Purchase of investments - Others	(151.74)	(0.02)	(0.03)
Proceeds from sale of investments - Others	-	0.36	0.94
Dividend received - Others	0.49		
Interest received - Bank deposits	1.69	7.93	14.57
<b>Net cash flow from / (used in) Investing activities (B)</b>	<b>(122.44)</b>	<b>(41.35)</b>	<b>(388.77)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds/(repayment) of long term borrowings	(72.23)	8.42	(40.15)
Net Increase/(decrease) of working capital borrowings	204.82	(231.66)	(230.19)
Finance costs	(62.32)	(79.56)	(179.21)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>50.27</b>	<b>(302.80)</b>	<b>(449.55)</b>
<b>Net increase / (decrease) in Cash and bank balances (A+B+C)</b>	<b>30.80</b>	<b>(10.43)</b>	<b>(11.26)</b>
Cash and bank balances at the beginning of the year	133.85	145.14	145.14
Effect of exchange differences on restatement of foreign currency Cash and bank balances	(0.05)	(1.90)	(0.03)
<b>Cash and bank balances at the end of the year</b>	<b>164.60</b>	<b>132.81</b>	<b>133.85</b>
Cash and bank balances at the end of the year comprises of			
(a) Cash on hand	50.10	9.81	30.98
(b) Balances with banks			
in current account	114.46	89.51	99.91
in EEFC account	0.04	33.49	2.96
	<b>164.60</b>	<b>132.81</b>	<b>133.85</b>

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. The company operates in one segment (i.e.,) Textile business, which in the context of Indian Accounting standard (IND AS)108 - operating segment, is considered as the only reportable operating 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 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. The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020, which could impact the contributions by the company towards Provident Fund, Gratuity and other social security. The effective date from which the changes are applicable is yet to be notified, and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in period of notification of the relevant provisions.

8. 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

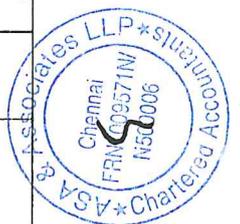
Place : Chennai  
Date : November 11, 2020

Place : Avinashi  
Date : November 11, 2020



**S.P. Apparels Limited**  
 CIN: L18101TZ0005PLC012295  
 Regd. Office: 39-A, Extension Street, Kaikattipudur, Avinashi- 641 654, Tirupur, Tamilnadu  
 Tel : +91-4296-714000, Fax : +91-4296-714280, 714281, E-mail: cs@sp-apparels.com, Website: www.sp-apparels.com  
**Unaudited Consolidated Financial Results for the quarter and half year ended September 30, 2020**  
 (Prepared in Compliance with Indian Accounting Standards - IND AS)

S.No	Particulars	(Rupees in millions, except EPS and unless otherwise stated)				Rs in Millions
		Quarter ended September 30, 2020 [Unaudited]	Quarter ended June 30, 2020 [Unaudited]	Quarter ended September 30, 2019 [Unaudited]	Half year ended September 30, 2020 [Unaudited]	
1	Revenue from operations	1,899.05	612.46	2,460.99	4,637.04	8,089.66
2	Other income	3.38	3.52	97.87	178.55	237.07
	<b>Total Income (3 + 1+2)</b>	<b>1,902.43</b>	<b>616.28</b>	<b>2,558.86</b>	<b>4,815.59</b>	<b>8,326.73</b>
4	Expenses					
5	Cost of materials and services consumed	476.20	220.07	748.78	696.27	1,475.81
6	Purchases of Stock-in-Trade - Traded goods	297.79	98.70	290.42	396.49	517.42
	Changes in inventories of finished goods, stock-in-trade and work-in-progress - (increase)/Decrease	(24.55)	(111.51)	90.76	(136.06)	67.20
7	Employee benefits expense	749.44	207.26	1,129.96	956.70	2,060.43
8	Finance costs	405.48	174.70	529.49	580.18	1,077.56
9	Depreciation and amortisation expense	33.87	47.86	57.59	81.73	114.18
10	Other expenses	400.86	163.45	77.36	162.44	140.94
	<b>Total Expenses (11 = 4 to 10)</b>	<b>1,670.86</b>	<b>674.50</b>	<b>2,345.36</b>	<b>2,345.36</b>	<b>4,476.62</b>
	<b>Profit/(Loss) before exceptional items and tax (12 = 3 less 11)</b>	<b>231.57</b>	<b>(58.22)</b>	<b>229.93</b>	<b>173.35</b>	<b>338.97</b>
	Exceptional items					
13	<b>Net Profit/(Loss) for the period before tax (14 = 12 less 13)</b>	<b>231.57</b>	<b>(58.22)</b>	<b>229.93</b>	<b>173.35</b>	<b>338.97</b>
	Tax expense:					
	(a) Current tax expense	40.52	-	44.12	40.52	81.21
	(b) Short / (Excess) provision for tax relating to prior years	-	-	(9.26)	-	(9.26)
	(c) Deferred tax	3.22	-	(153.75)	3.22	(153.75)
	<b>Tax expense (15 = a+b+c)</b>	<b>43.74</b>	<b>-</b>	<b>(118.91)</b>	<b>43.74</b>	<b>(63.18)</b>
	<b>Net Profit/(Loss) for the period after tax (16 = 14 less 15)</b>	<b>187.83</b>	<b>(58.22)</b>	<b>348.84</b>	<b>129.61</b>	<b>469.19</b>
	Other Comprehensive Income for the period					
	A (i) Items that will not be reclassified to Profit or Loss			(0.89)		0.78
	Actuarial gain/(loss) on defined benefit plans			0.36		(0.20)
	(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					
	The effective portion of gain/(loss) on hedging instruments in a cash flow hedge	32.96	33.76	(31.94)	66.74	(12.95)
	Translation differences	(16.80)	-	9.89	(16.80)	3.26
	(ii) Income tax relating to items that will be reclassified to Profit or Loss	16.18	33.76	(22.56)	49.94	(9.11)
	<b>Total Other Comprehensive Income (net of taxes) (17)</b>	<b>0.10</b>	<b>-</b>	<b>(0.82)</b>	<b>0.10</b>	<b>0.37</b>
	Minority Interest (18)					
	<b>Total Comprehensive Income for the period after tax (19 = 16 plus 17 plus 18)</b>	<b>204.11</b>	<b>(24.46)</b>	<b>325.46</b>	<b>179.65</b>	<b>395.01</b>
	Paid-up equity share capital (face value Rs. 10/-) [Amount]	256,926,000	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]	7.31	(2.27)	13.58	5.04	16.43
		[Net annualised]	[Net annualised]	[Net annualised]	[Net annualised]	[Annualised]



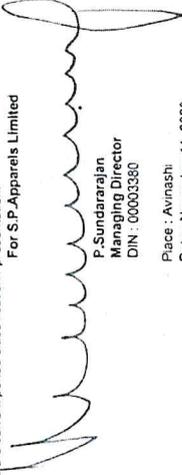
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**See accompanying notes to the Financial Results**

**Notes:**

1. The above unaudited consolidated financial results for the quarter and half year ended September 30, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 11, 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. The company operates in one segment (i.e.,) Textile business, which in the context of Indian Accounting standard (IND AS) 108 - operating segment, is considered as the only reportable operating segment of the company.
3. 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.
4. Pursuant to the amendment in the Income Tax Act, 1961 effective 20.09.2018, 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. 18 Million and the deferred tax income of the company increased by Rs. 128.3 Million for the year ended March 31, 2020.
5. The results for the quarter ended September 30, 2020 is the balancing figures between consolidated unaudited figures of the half year ended September 30, 2020 and the published unaudited year to date figures up to the first quarter of the current financial year 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 interim directions given by Supreme court in relation to WRIT PETITION (C) DIARY No. 10983 OF 2020 dated June 12, 2020, Company has negotiated & entered into settlement with the employees for non-payment of salary during factory lockdown period from April 01, 2020 to May 11, 2020. The Company have communicated their steps to the employees and there have been no denial from employees.
8. In view of the pandemic, the World Health Organisation declared Covid-19 to be a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption in view of the pandemic, the Company has considered internal and external information and has performed an analysis based on current estimates while assessing the recoverability of assets including trade receivables, inventory and other current / non current assets (net of provisions established) for any possible impact on the consolidated financial results. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc., and is of the view that based on its present assessment, the carrying amount of the assets will be recovered and no material adjustments is required in the preparation of consolidated financial results. The Management believes that the Company will not have any challenge in meeting its financial obligations for the financial year 2020-21. In this regard, the Company will continue to closely monitor any material changes to future economic conditions.
9. The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020, which could impact the contributions by the company towards Provident Fund, Gratuity and other social security. The effective date from which the changes are applicable is yet to be notified, and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in period of notification of the relevant provisions.
10. Previous period figures have been regrouped / reclassified, wherever necessary, to conform to the current period classification / presentation.

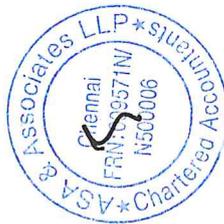
For S.P. Apparels Limited



P. Sundararajan  
Managing Director  
DIN : 00003380

Place : Avinashi  
Date : November 11, 2020

V. Balaji  
Chief Financial Officer

**Independent Auditor's Review Report on quarterly and year to date Unaudited Financial Results of S.P.Apparels Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To

The Board of Directors of S.P.Apparels Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of S.P.Apparels Limited ("the Company") for the quarter ended 30<sup>th</sup> September, 2020 and year to date results for the period from April 1, 2020 to September 30, 2020 ("the Statement"). The Statement has been prepared by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initialed by us for identification purposes only.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard – 34 "Interim Financial Reporting" (Ind AS - 34), as prescribed under Section 133 of Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the 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 Statement is free of material misstatement. A review is limited primarily to inquiries of the 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For ASA & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 009571N/N500006



DK Girdharan

Partner

Membership No.: 028738

UDIN: 200 287 3844 AA CL5752.



Place: Chennai

Date: November 11, 2020

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<b>S.P. Apparels Limited</b> CIN: L18101TZ2007PLC012295 Regd Office 39-A, Extension Street, Kaikattipudur, Avinashi- 641 654, Tirupur, Tamilnadu Tel: +91-4296-714000, Fax: +91-4296-714280, 714281, E-mail: cs@office@s-p-apparels.com, Website: www.spapparels.com <b>Unaudited Standalone statement of financial position as at September 30, 2020</b> (Prepared in Compliance with Indian Accounting Standards - IND AS)		
Details	As at September 30, 2020 [Unaudited]	As at March 31, 2020 [Audited]
	Rs in Millions	Rs in Millions
<b>ASSETS</b>		
<b>Non Current Assets</b>		
a. Property, Plant and Equipment	3,937.20	3,956.98
b. Right of Use Assets	393.32	414.08
c. Capital work-in-progress	69.62	-
d. Intangible Assets	15.89	24.89
	<b>4,416.03</b>	<b>4,395.95</b>
e. Financial Assets		
- Investments	233.11	81.37
- Loans and Advances	100.59	0.63
- Others	127.06	171.40
f. Other non-current assets	57.50	20.95
	<b>4,934.29</b>	<b>4,670.30</b>
<b>Current Assets</b>		
a. Inventories	2,430.59	2,275.82
b. Financial Assets		
- Investments		
- Trade Receivables	1,058.35	857.23
- Cash and cash equivalents	175.11	408.87
- Others		
c. Other current assets	503.67	603.03
	<b>4,167.72</b>	<b>4,144.95</b>
Intercompany Adjustments		
<b>Total Assets</b>	<b>9,102.01</b>	<b>8,815.25</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
a. Equity Share capital	256.93	256.93
b. Other Equity	5,120.86	4,963.30
	<b>5,377.79</b>	<b>5,220.23</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
a. Financial Liabilities		
- Borrowings	545.63	590.99
- Other Financial liabilities	131.28	132.38
b. Deferred tax liabilities (net)	252.57	232.55
c. Other non-current liabilities		
	<b>929.48</b>	<b>955.92</b>
<b>Current liabilities</b>		
a. Financial Liabilities		
- Borrowings	1,641.63	1,480.14
- Trade payables	802.32	751.99
- Other Financial liabilities	253.51	304.56
b. Other current liabilities	21.11	21.08
c. Provisions	76.17	81.33
	<b>2,794.74</b>	<b>2,639.10</b>
<b>Total Equity and Liabilities</b>	<b>9,102.01</b>	<b>8,815.25</b>

See accompanying notes to the Financial Results

Notes:

1. The disclosure is an extract of unaudited balance sheet as at September 30, 2020 and audited balance sheet as at March 31, 2020 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 November 11, 2020

2. The disclosure is an extract of unaudited statement of cashflows for the half year ended September 30, 2020 and September 30, 2019 and audited statement of cashflows for the year ended March 31, 2020 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 November 11, 2020



Unaudited Standalone Statement of Cashflows for the quarter and half year ended September 30, 2020

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Particulars	Half year ended	Half year ended	Year ended March
	September 30, 2020 [Unaudited]	September 30, 2019 [Unaudited]	31, 2020 [Audited]
	Rs in Millions	Rs in Millions	Rs in Millions
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before tax	148.10	317.35	506.46
<i>Adjustments for:</i>			
Depreciation and amortization expense	170.66	149.42	316.32
(Profit) / loss on Sale of assets	0.17	10.34	9.18
(Profit) / loss on Sale of investment	(0.40)		
Amortisation of Lease prepayments	(0.37)	(1.97)	(3.27)
Bad debts written off	2.49	13.74	14.32
Provision for Doubtful Debts	10.00		
Interest Expense on Right of Use Asset -IND AS	16.62		
Interest Expense on Un Sec Loan - IND AS	3.62		
Stock provision - IND AS	5.07		
Other Adjustments		(11.22)	(0.97)
Finance costs	2.17	95.31	175.60
Interest income	(1.81)	(7.93)	(14.37)
Dividend income	(0.49)		
Unrealised exchange (gain)/loss	11.02	15.95	22.19
Provision for MTM (gain)/loss on forward contracts	(6.43)	58.45	58.45
	<b>360.42</b>	<b>639.44</b>	<b>1,083.96</b>
<b>Operating profits before working capital changes</b>			
<i>Changes in working capital:</i>			
<i>Adjustments for (increase) / decrease in operating assets</i>			
Inventories	(154.77)	124.53	189.08
Trade receivables	(196.26)	(45.80)	336.80
Loans and advances/Current assets	50.55	(13.92)	(364.11)
<i>Adjustments for increase / (decrease) in operating liabilities</i>			
Trade payables/Other current liabilities/Provisions	80.53	(30.42)	(250.04)
<b>Cash Generated from Operations</b>	<b>140.47</b>	<b>673.83</b>	<b>995.69</b>
Net income tax (paid) / refunds	(2.98)	(276.04)	(126.39)
<b>Cash flow before exceptional item</b>	<b>137.49</b>	<b>397.79</b>	<b>869.30</b>
Exceptional item	-	-	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>137.49</b>	<b>397.79</b>	<b>869.30</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Capital expenditure on fixed assets, including capital advances	(248.53)	(309.00)	(515.44)
Proceeds from sale of fixed assets	0.23	2.59	4.05
Bank deposits not considered as cash equivalents	269.09	256.78	107.23
Purchase of investments - Others	(151.74)	(0.04)	(0.03)
Proceeds from sale of investments - Others		0.36	0.94
Dividend received - Others	0.49		
Interest received - Bank deposits	1.69	7.93	14.37
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(128.77)</b>	<b>(41.38)</b>	<b>(388.88)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds/(repayment) of long term borrowings and finance lease liabilities	(54.02)	5.12	(43.44)
Net Increase/(decrease) of working capital borrowings	160.60	(248.28)	(277.19)
Finance costs	(80.02)	(78.00)	(175.60)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>26.56</b>	<b>(321.16)</b>	<b>(496.23)</b>
<b>Net increase / (decrease) in Cash and bank balances (A+B+C)</b>	<b>35.28</b>	<b>35.25</b>	<b>(15.81)</b>
Cash and bank balances at the beginning of the year	80.06	95.90	95.90
Effect of exchange differences on restatement of foreign currency Cash and bank balances	0.05	(1.90)	(0.03)
<b>Cash and bank balances at the end of the year</b>	<b>115.39</b>	<b>129.25</b>	<b>80.06</b>
<b>Cash and bank balances at the end of the year comprises of</b>			
(a) Cash on hand	50.10	9.81	30.98
(b) Balances with banks			
in current account	65.25	85.95	46.12
in EEFC account	0.04	33.49	2.96
	<b>115.39</b>	<b>129.25</b>	<b>80.06</b>

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. The company operates in one segment (i.e.,) Textile business, which in the context of Indian Accounting standard (IND AS)108 - operating segment, is considered as the only reportable operating 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. The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020, which could impact the contributions by the company towards Provident Fund, Gratuity and other social security. The effective date from which the changes are applicable is yet to be notified, and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in period of notification of the relevant provisions.

8. 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 : Chennai  
Date : November 11, 2020

Place : Avinashi  
Date : November 11, 2020



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S.P. Apparels Limited  
 CIN: L18101TZ2005PLC012295  
 Regd. Office: 39 - A, Extension Street, Kaikatiapudur, Avinashi - 641 654, Tirupur, Tamilnadu  
 Tel : +91-4296-714000, Fax : +91-4296-714280, 714281 E-mail: csoffice@s-p-apparels.com, Website: www.spapparels.com  
 Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2020  
 (Prepared in Compliance with Indian Accounting Standards - IND AS)

Statement of Unaudited Financial Results for the quarter and half year ended September 30, 2020		Quarter ended September 30, 2020 [Unaudited] Rs In Millions	Quarter ended Jun 30, 2020 [Unaudited] Rs In Millions	Quarter ended September 30, 2019 [Unaudited] Rs In Millions	Half year ended September 30, 2020 [Unaudited] Rs In Millions	Half year ended September 30, 2019 [Unaudited] Rs In Millions	For the year ended March 31, 2020 [Audited] Rs In Millions
S.No	Particulars						
1	Income	1,653.09	523.31	2,332.24	2,176.40	4,382.47	7,563.10
2	Other income	2.06	2.88	95.79	4.94	176.47	238.08
	<b>Total Income (3 = 1+2)</b>	<b>1,655.15</b>	<b>526.19</b>	<b>2,428.03</b>	<b>2,181.34</b>	<b>4,558.94</b>	<b>7,801.18</b>
4	Expenses						
5	Cost of materials and services consumed	476.20	220.07	748.78	696.27	1,475.81	2,407.81
6	Purchases of Stock-in-Trade - Traded goods	74.46	13.64	172.11	88.10	283.99	522.87
	Changes in inventories of finished goods, stock-in-trade and work-in-progress - (Increase)/Decrease	(24.56)	(113.28)	90.76	(137.84)	67.20	176.59
	Employee benefits expense	526.10	120.43	1,011.65	646.53	1,827.00	3,107.27
7	Finance costs	402.13	173.60	526.96	575.73	1,072.67	1,950.16
8	Depreciation and amortisation expense	35.00	43.82	56.72	79.42	112.61	224.21
9	Other expenses	85.18	85.47	81.63	170.65	149.43	316.32
10	<b>Total Expenses (11 = 4 to 10)</b>	<b>398.86</b>	<b>162.06</b>	<b>534.78</b>	<b>560.92</b>	<b>1,079.82</b>	<b>1,716.76</b>
	<b>Profit/(Loss) before exceptional items and tax (12 = 3 less 11)</b>	<b>1,447.87</b>	<b>585.38</b>	<b>2,211.74</b>	<b>2,033.25</b>	<b>4,241.59</b>	<b>7,314.72</b>
	Exceptional items	207.28	-59.19	216.29	148.09	317.35	506.46
13	<b>Net Profit/(Loss) for the period before tax (14 = 12 less 13)</b>	<b>207.28</b>	<b>(59.19)</b>	<b>216.29</b>	<b>148.09</b>	<b>317.35</b>	<b>409.15</b>
	Tax expense:						
	(a) Current tax expense	37.28	-	43.20	37.28	79.88	102.98
	(b) Short / (Excess) provision for tax relating to prior years	-	-	(9.28)	-	(9.28)	(7.55)
	(c) Deferred Tax	3.22	-	(153.75)	3.22	(155.11)	(126.55)
	<b>Tax expense (15 = a+b+c)</b>	<b>40.50</b>	<b>-</b>	<b>(119.83)</b>	<b>40.50</b>	<b>(84.51)</b>	<b>(31.12)</b>
	<b>Net Profit/(Loss) for the period after tax (16 = 14 less 15)</b>	<b>166.78</b>	<b>(59.19)</b>	<b>336.12</b>	<b>107.59</b>	<b>401.86</b>	<b>440.27</b>
	Other Comprehensive Income for the period						
	A (i) Items that will not be reclassified to Profit or Loss	-	-	(0.89)	-	0.78	5.75
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss	-	-	0.38	-	(0.20)	(1.45)
	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 Translation difference	32.98	33.76	(31.94)	66.74	(12.95)	(105.37)
	(ii) Income tax relating to items that will be reclassified to Profit or Loss	(16.80)	-	9.89	(16.80)	3.26	26.52
	<b>Total Other Comprehensive Income (net of taxes) (17)</b>	<b>16.18</b>	<b>33.76</b>	<b>(22.56)</b>	<b>49.94</b>	<b>(9.11)</b>	<b>(74.55)</b>
	<b>Total Comprehensive Income/(loss) for the period after tax (18 = 16 plus 17)</b>	<b>182.96</b>	<b>-25.43</b>	<b>313.56</b>	<b>157.53</b>	<b>392.75</b>	<b>365.72</b>
	Paid-up equity share capital (face value Rs. 10/-) [Amount]	256,926,000	256,926,000	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]	6.49	(2.30)	13.08	4.19	15.64	17.14



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**See accompanying notes to the Financial Results**

**Notes:**

1. The above unaudited standalone financial results for the quarter and half year ended September 30, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 11, 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.
3. The company operates in one segment (i.e.,) Textile business, which in the context of Indian Accounting standard (IND AS)108 - operating segment, is considered as the only reportable operating segment of the company.
4. 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.
5. 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.128.31 Million for the year ended March 31, 2020.
6. The results for the quarter ended September 30, 2020 is the balancing figures between Standalone unaudited figures of the half year ended September 30, 2020 and the published unaudited year to date figures up to the first quarter of the current financial year were subjected to limited review.
7. 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.
8. As per interim directions given by Supreme court in relation to WRIT PETITION (C) DIARY No. 10983 OF 2020 dated June 12, 2020, Company has negotiated & entered into settlement with the employees for non-payment of salary during factory lockdown period from April 01, 2020 to May 11, 2020. The Company has communicated their steps to the employees and there have been no denial from employees.
9. In March 2020, the World Health Organisation declared Covid -19 to be a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. In view of the pandemic, the Company has considered internal and external information and has performed an analysis based on current estimates while assessing the recoverability of assets including trade receivables inventory and other current / non current assets (net of provisions established) for any possible impact on the standalone financial results. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc., and is of the view that based on its present assessment, the carrying amount of the assets will be recovered and no material adjustments is required in the preparation of standalone financial results. The Management believes that the Company will not have any challenge in meeting its financial obligations for the financial year 2020-21. In this regard, the Company will continue to closely monitor any material changes to future economic conditions.
9. The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020, which could impact the contributions by the company towards Provident Fund, Gratuity and other social security. The effective date from which the changes are applicable is yet to be notified, and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in period of notification of the relevant provisions.
10. 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: 00003360

Place : Avinashi

Date : November 11, 2020

V. Balaji  
Chief Financial Officer



Place : Chennai

Date : November 11, 2020