



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



13th August, 2019

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 Board Meeting

Ref: Our Notice dated 06.08.2019

Further to our Notice under reference, we wish to inform that the Board of Directors at their meeting held on today i.e. Tuesday, 13th August, 2019 has inter alia, approved the following matters along with other routine businesses:

1. Un-audited Standalone & Consolidated Financial Results of the Company for the Quarter ended 30th June, 2019.
2. Approval of Board's Report and its annexures along with Corporate Governance Report and Management Discussion and Analysis Report for the year ended 31st March, 2019.
3. Fixation of cut-off date i.e. Monday, the 13th September, 2019 for the purpose of members eligible for Remote e-voting and voting at the time of 14th Annual General Meeting.
4. Appointment of Mr.M.D.Selvaraj, FCS of MDS & Associates, Company Secretaries, Coimbatore as a Scrutinizer for the process of Remote E-Voting as well as voting at the 14th Annual General Meeting.
5. Approval of Notice of 14th Annual General Meeting to be held on Friday, the 20th day of September, 2019.
6. Fixation of E-Voting period i.e. 17th September 2019 to 19th September 2019 for the purpose of vote on businesses to be transacted at 14th Annual General Meeting.



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The above matters have been duly approved by the Board of Directors at their meeting which commenced at 12.00 Noon and concluded at 4.00 P.M.

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.

Kindly take the above on your record.

Thanking you,

For S.P.Apparels Limited,

K. Vinodhini
Company Secretary and Compliance Officer

SP Apparels Limited

Key Highlights of Q1 FY 2019-20

Performance on a Consolidated Basis

- Revenue for the quarter is Rs. 2,256.73 millions as against Rs.1,914.19 millions on a YoY basis which is growth of 17.89%
- Earnings before Interest, Taxes, Depreciation and Amortization for the quarter Rs. 229.21 millions and it has de-grown by 21.09% on a YoY basis.
- Earnings Per Share for this quarter is Rs. 2.85.

Retail Division Hive off Proposal

The Board has proposed to hive-off retail division undertaking into a separate entity to optimize Retail operations. Board has appointed its committee to evaluate various options and recommendations.

Independent Auditor's Review Report on the Review of Interim Financial Results

To,


The Board of Directors
S. P. Apparels Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results (Standalone) of S. P. Apparels Limited ('the Company') for the quarter ended June 30, 2019 (the Statement), being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI Circular No. CIR/CFD/FAC//62/2016 dated July 5, 2016 ('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 principles laid down in Indian Accounting Standards 34 "Interim Financial Reporting" [IND AS 34], prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies. 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.
4. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
5. Based on our review conducted as 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



D K Giridharan

Partner

Membership No: 028738

UDIN: 19028738AAAAAV3317



Place: Avinashi

Date: August 13, 2019

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 Standalone Financial Results for the quarter ended June 30, 2019
(Prepared in Compliance with Indian Accounting Standards - IND AS)

(Rupees in millions except EPS and unless otherwise stated)

Statement of Unaudited Financial Results for the quarter ended June 30, 2019		Quarter ended June 30, 2019 [Unaudited]	Quarter ended March 31, 2019 [Audited]	Quarter ended June 30, 2018 [Unaudited]	For the year ended March 31, 2019 [Audited]
Particulars	S.No	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
Revenue from operations	1	2,050.23	2,132.35	1,758.51	7,781.42
Other income	2	80.68	7.73	6.08	34.14
Total Income (3 = 1+2)		2,130.91	2,140.08	1,764.59	7,815.56
Expenses					
Cost of materials and services consumed	4	727.03	631.85	666.91	2,731.12
Purchases of Stock-in-Trade - Traded goods	5	111.88	138.57	87.43	508.02
Changes in inventories of finished goods, stock-in-trade and work-in-progress - (Increase)/Decrease	6	(23.56)	51.31	(98.72)	(402.61)
		815.35	821.73	655.62	2,836.53
Employee benefits expense	7	545.71	551.87	439.60	1,861.77
Finance costs	8	55.89	-16.11	37.50	60.81
Depreciation and amortisation expense	9	67.80	59.08	57.12	232.79
Other expenses	10	545.10	426.98	388.05	1,776.66
Total Expenses (11 = 4 to 10)		2,029.85	1,843.55	1,577.89	6,768.56
Net Profit/(Loss) for the period before tax (12 = 3 less 11)		101.06	296.53	186.70	1,047.00
Tax expense:					
(a) Current tax expense		36.68	156.78	63.82	362.08
(b) Deferred Tax		(1.36)	(53.17)	9.00	(12.79)
Tax expense (13 = a+b)		35.32	103.61	72.82	349.29
Net Profit/(Loss) for the period after tax (14 = 12 less 13)		65.74	192.92	113.88	697.71
Other Comprehensive Income for the period					
A (i) Items that will not be reclassified to Profit or Loss					
Actuarial gain/(loss) on defined benefit plans		1.67	4.51	(0.27)	4.92
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		(0.58)	(1.58)	0.10	(1.72)
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		18.99	(57.53)	30.50	57.03
Translation difference					
(ii) Income tax relating to items that will be reclassified to Profit or Loss		(6.63)	20.10	(10.66)	(19.93)
Total Other Comprehensive Income (net of taxes) (15)		13.45	(34.50)	19.67	40.30
Total Comprehensive Income for the period after tax (16 = 14 plus 15)		79.19	158.42	133.55	738.01
Paid-up equity share capital (face value Rs. 10/-) [Amount]		256,926,000	256,926,000	253,426,000	256,051,000
Earning Per Share (Rs.) - Basic and Diluted [Net Profit/(loss) for the period after tax/Weighted average number of equity shares]		2.56	7.51	4.49	27.25
		[Not annualised]	[Not annualised]	[Not annualised]	[Annualised]



See accompanying notes to the Financial Results

Notes:

1. The above audited standalone financial results for the quarter ended June 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 13, 2019.
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 116-leases, applied to its existing lease contracts on April 1, 2019 using the modified retrospective approach. The adoption of the standard has an impact of INR 3.3 million on the financials results for the quarter ended June 30, 2019.
5. The results for the quarter ended March 31, 2019 is the balancing figures between Standalone audited figures of the full financial year ended March 31, 2019 respectively and the published unaudited year to date figures up to the third quarter of the previous financial year were subjected to limited review.
6. The utilisation of IPO proceeds is summarised as below(unaudited):-

Objects of the issue as per the Prospectus	As per Prospectus	Utilisation amount up to June 30, 2019	Unutilised amount as of June 30, 2019
Expansion and modernization of manufacturing facility	701.60	701.60	-
Repayment or prepayment of debt	630.00	630.00	-
Opening of new stores for the sale of 'Crocodile' products	278.50	261.75	16.75
Addition of balancing machineries for existing dyeing unit	49.10	49.10	-
General corporate purposes and Issue expenses	490.80	490.80	-
Total	2,150.00	2,133.25	16.75

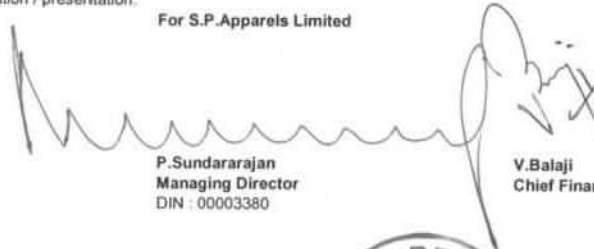
The unutilised amount as at June 30, 2019 have been temporarily deployed fixed deposits.

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

For S.P.Apparels Limited

Place : Avinashi

Date : August 13, 2019



P.Sundararajan
Managing Director
DIN : 00003380

V.Balaji
Chief Financial Officer



Independent Auditor's Review Report on the Review of Interim Financial Results

To,

The Board of Directors
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 June 30, 2019 (the Statement), 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, read with SEBI Circular No. CIR/CFD/FAC//62/2016 dated July 5, 2016 (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 principles laid down in Indian Accounting Standards 34 "Interim Financial Reporting" [IND AS 34], prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies. 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.
4. A review is limited primarily to inquiries of Holding Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and 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).
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 Rs132.84 million for the quarter June 30, 2019 and Total Comprehensive Income of Rs3.20 million for the quarter ended June 30, 2019 as considered in the consolidated financial results.



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

D K Giridharan

D K Giridharan

Partner

Membership No: 028738

UDIN: 19028738AAAAAW7658



Place: Avinashi

Date: August 13, 2019

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Unaudited Consolidated Financial Results for the quarter ended June 30, 2019
(Prepared in Compliance with Indian Accounting Standards - IND AS)

		(Rupees in millions except EPS and unless otherwise stated)			
Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2019		Quarter ended June 30, 2019 [Unaudited]	Quarter ended March 31, 2019 [Audited]	Quarter ended June 30, 2018 [Unaudited]	For the year ended March 31, 2019 [Audited]
Particulars	S.No	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
Revenue from operations	1	2,176.05	2,222.24	1,908.11	8,263.76
Other income	2	80.68	7.87	6.08	34.40
Total Income (3 = 1+2)		2,256.73	2,230.11	1,914.19	8,298.16
Expenses					
Cost of materials and services consumed	4	727.03	631.85	666.91	2,731.12
Purchases of Stock-in-Trade - Traded goods	5	227.00	221.30	223.08	935.35
Changes in inventories of finished goods, stock-in-trade and work-in-progress - (Increase)/Decrease	6	-23.56	51.31	-96.92	-400.50
		930.47	904.46	793.07	3,265.97
Employee benefits expense	7	548.07	554.55	441.97	1,872.24
Finance costs	8	56.59	-15.77	37.84	62.44
Depreciation and amortisation expense	9	63.58	54.89	52.90	215.88
Other expenses	10	548.98	433.20	388.68	1,787.18
Total Expenses (11 = 4 to 10)		2,147.69	1,931.33	1,714.46	7,203.71
Net Profit/(Loss) for the period before tax (12 = 3 less 11)		109.04	298.78	199.73	1,094.45
Tax expense:					
(a) Current tax expense		37.09	156.43	83.81	366.86
(b) Deferred Tax		-1.36	-48.54	10.05	-6.13
Tax expense (13 = a+b)		35.73	107.89	73.86	360.73
Net Profit/(Loss) for the period after tax (14 = 12 less 13)		73.31	190.89	125.87	733.72
Other Comprehensive Income for the period					
A (i) Items that will not be reclassified to Profit or Loss					
Actuarial gain/(loss) on defined benefit plans		1.67	4.51	-0.27	4.92
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-0.58	-1.58	0.10	-1.72
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		18.99	-57.53	30.50	57.03
Translation difference					
(ii) Income tax relating to items that will be reclassified to Profit or Loss		-6.63	20.10	-10.66	-19.93
Total Other Comprehensive Income (net of taxes) (15)		13.45	-34.50	19.87	40.30
Minority Interest (16)		-0.43	1.46	-0.25	0.61
Total Comprehensive Income for the period after tax (17 = 14 plus 15 plus 16)		86.33	157.85	145.29	774.63
Paid-up equity share capital (face value Rs. 10/-) [Amount]		256,926.000	256,926.000	253,426,000	256,051,000
Earning Per Share (Rs.) - Basic and Diluted [Net Profit/(loss) for the period after tax/Weighted average number of equity shares]		2.85	7.43	4.97	28.66
		[Not annualised]	[Not annualised]	[Not annualised]	[Annualised]



See accompanying notes to the Financial Results

Notes:

1. The above audited consolidated financial results for the quarter ended June 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 13, 2019.
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 group.
4. Effective 01.04.2019, the Group has adopted Ind AS 116-leases, applied to its existing lease contracts on April 1, 2019 using the modified retrospective approach. The adoption of the standard has an impact of INR 3.3 million on the financials results for the quarter ended June 30, 2019.
5. 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.
6. The results for the quarter ended March 31, 2019 is the balancing figures between Consolidated audited figures of the full financial year ended March 31, 2019 respectively and the published unaudited year to date figures up to the third quarter of the previous financial year were subjected to limited review.
7. The utilisation of IPO proceeds is summarised as below (unaudited):-

Objects of the issue as per the Prospectus	As per Prospectus	Utilisation amount up to June 30, 2019	Unutilised amount as of June 30, 2019
Expansion and modernization of manufacturing facility	701.60	701.60	-
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Addition of balancing machineries for existing dyeing unit	49.10	49.10	-
General corporate purposes and Issue expenses	490.80	490.80	-
Total	2,150.00	2,133.25	16.75

The unutilised amount as at June 30, 2019 have been temporarily deployed in fixed deposits.

8. The consolidated financial results includes the interim financial results of two subsidiaries which have been consolidated based on management accounts, whose interim financial results reflect total revenue of Rs. 132.84 million for the quarter June 30, 2019 and Total Comprehensive Income of Rs 3.20 million for the quarter ended June 30, 2019 as considered in the consolidated financial results.

9. Tax on Consolidated financial statements is calculated after adjusting subsidiaries profit with carried forward loss.

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

Place : Avinashi

Date : August 13, 2019

For S.P.Apparels Limited

P.Sundararajan
Managing Director
DIN : 00003380

V.Balaji
Chief Financial Officer

