



# **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



02<sup>nd</sup> July 2021

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

**Symbol: SPAL**

Dear Sirs,

**Sub: Clarification for Financial Results**

**Ref: Your mail dated 29.06.2021**

As per your mail dated 29.06.2021 we noted your observations. Kindly note our below clarification for the observations:

1. Note on balancing figure as per Reg 33(3)(e) is provided in accompanying notes to the financial results of both Standalone and Consolidated Profit & Loss Account as note no.06.
2. We are well aware that only Machine readable formats are to be submitted in both NSE & BSE and by abiding the circular the Company has done all its filing in machine readable formats only to the exchanges, also by ensuring the legibility of the documents. However we once again attaching the submitted results in machine readable format with this reply letter in high legibility.

Kindly take the above on your record.

Thanking you,

For S.P.Apparels Limited,

K.Vinodhini  
Company Secretary and Compliance Officer

Encl: As above

## **S.P.Apparels limited**

### **Key Financial Highlights of Q4 FY 2020-21**

#### **Performance on a Consolidated Basis**

- **Final Dividend** - declared at **22.5%** of the face value of the share at Rs. **2.25/-** per share

#### **CONSOLIDATION BASIS :**

- Revenue for the quarter is Rs.1920.66 millions as against Rs.1695.23 millions on a YoY basis which is growth of 13.30 %
- Profit after Tax for the quarter Rs. 101.01 millions as against Rs.28.09 on a YoY basis which is growth of 259.59%
- Earnings per share for the quarter Rs. 4.11 as against 1.09 on a YoY basis.
- The Revenue for the Quarter is Rs. 1920.66 Millions as against Revenue of Rs.2097.67 millions on QoQ basis.
- Profit after Tax for the quarter is Rs. 101.01 millions as against Profit Rs. 196.55 millions on a QoQ basis.

#### **STANDALONE BASIS :**

- Revenue for the quarter is Rs.1702.72 millions as against Rs.1580.88 millions on a YoY basis which is growth of 7.71 %
- Profit after Tax for the quarter Rs. 98.21 millions as against Rs.27.94 on a YoY basis which is growth of 251.50%

#### **DIVISION PERFORMANCE**

- Garment division revenue stood @ Rs.162 Crs with an EBITDA @ 18% for this Quarter.
- Retail division revenue stood @ Rs.8.25 Crs with an EBITDA loss of Rs.4.57 Crs for this Quarter.



## 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, 2021, 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, 2021.

#### 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.

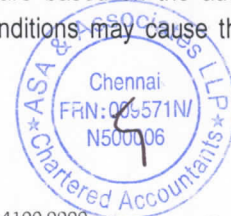
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **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, 2021, 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.

Further, due to the second wave of spreading of COVID -19 across India, the State Government of Tamil Nadu announced a lockdown in the months of April 2021, May 2021 and June 2021 which was extended with various restrictions across the India to contain the spread of the virus. This has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

As a result of the above, certain portions of the audit was carried out based on remote access of the data as provided the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the Company.

**For ASA & Associates LLP**

Chartered Accountants

Firm Registration No: 009571N/N500006

UDIN: 21028738AAAABX7130

**D K Giridharan**

Partner

Membership No: 028738



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Place: Chennai

Date: June 21, 2021

<b>S.P. Apparels Limited</b> CIN: L18101TZ2005PLC012295 Regd. Office: 39 – A, Extention 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 <b>Audited Standalone statement of financial position as at March 31, 2021</b> <b>(Prepared in Compliance with Indian Accounting Standards - IND AS)</b>		
Details	As at March 31, 2021 [Audited]	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	3,999.93	3,956.98
b. Right of Use Assets	372.56	414.08
c. Capital work-in-progress	102.40	-
d. Intangible Assets	6.96	24.89
	<b>4,481.85</b>	<b>4,395.95</b>
e. Financial Assets		
- Investments	81.37	81.37
- Loans and Advances	20.47	0.63
- Others	204.85	171.40
f. Other non-current assets	10.33	20.95
	<b>4,798.87</b>	<b>4,670.30</b>
<b>Current Assets</b>		
a. Inventories	2,413.49	2,275.82
b. Financial Assets		
- Investments	-	-
- Trade Receivables	938.70	857.23
- Cash and cash equivalents	317.11	408.87
c. Other current assets	343.45	603.03
	<b>4,012.75</b>	<b>4,144.95</b>
<b>Total Assets</b>	<b>8,811.62</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	5,264.61	4,963.30
	<b>5,521.54</b>	<b>5,220.23</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
a. Financial Liabilities		
- Borrowings	522.09	590.99
- Other Financial liabilities	135.83	132.38
b. Deferred tax liabilities (net)	332.31	232.55
	<b>990.23</b>	<b>955.92</b>
<b>Current liabilities</b>		
a. Financial Liabilities		
- Borrowings	1,172.00	1,480.14
- Trade payables	736.31	751.99
- Other Financial liabilities	256.80	304.56
b. Other current liabilities	46.47	21.08
c. Provisions	88.27	81.33
	<b>2,299.85</b>	<b>2,639.10</b>
<b>Total Equity and Liabilities</b>	<b>8,811.62</b>	<b>8,815.25</b>

See accompanying notes to the Financial Results

**Notes:**

1. The disclosure is an extract of audited balance sheet as at March 31, 2021 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 June 21, 2021
2. The disclosure is an extract of audited statement of cashflows for the year ended March 31, 2021 and audited statement of cashflows for the year ended March 31, 2021 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 21, 2021



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## Audited Standalone Statement of Cashflows for the year ended March 31, 2021

Particulars	Year ended March	Year ended March
	31, 2021	31, 2020
	[Audited]	[Audited]
	Rs in Millions	Rs in Millions
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	538.96	506.46
<u>Adjustments for:</u>		
Depreciation and amortization expense	340.05	316.32
(Profit) /loss on Sale of assets	2.26	9.18
Amortisation of Lease prepayments	(3.15)	(3.94)
Bad debts written off	37.11	14.32
Stock provision - IND AS	62.82	-
SOR Adjustments -Sales	(116.56)	(0.97)
Finance costs	97.12	175.60
Interest income	(7.01)	(14.37)
Dividend income	(1.25)	-
Unrealised exchange (gain)/loss	5.22	22.19
Provision for MTM (gain)/loss on forward contracts	(19.79)	58.45
<b>Operating profits before working capital changes</b>	<b>935.78</b>	<b>1,083.24</b>
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	(200.49)	189.08
Trade receivables	(7.37)	336.80
Loans and advances/Current assets	209.45	(363.39)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables/Other current liabilities/Provisions	(3.79)	(250.04)
<b>Cash Generated from Operations</b>	<b>933.58</b>	<b>995.69</b>
Net income tax (paid) / refunds	(139.61)	(126.39)
<b>Cash flow before exceptional item</b>	<b>793.97</b>	<b>869.30</b>
Exceptional Item	-	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>793.97</b>	<b>869.30</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on fixed assets, including capital advances	(442.98)	(515.44)
Proceeds from sale of fixed assets	2.44	4.05
Bank deposits not considered as cash equivalents	224.64	107.23
Purchase of investments - Others	-	(0.03)
Proceeds from sale of investments - Others	0.00	0.94
Dividend received - Others	1.25	-
Interest received - Bank deposits	7.01	14.37
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(207.64)</b>	<b>(388.88)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(repayment) of long term borrowings and finance lease liabilities	(47.90)	(43.44)
Net Increase/(decrease) of working capital borrowings	(308.67)	(277.19)
Finance costs	(97.12)	(175.60)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(453.69)</b>	<b>(496.23)</b>
<b>Net increase / (decrease) In Cash and bank balances (A+B+C)</b>	<b>132.64</b>	<b>(15.81)</b>
Cash and bank balances at the beginning of the year	80.06	95.90
Effect of exchange differences on restatement of foreign currency Cash and bank balances	0.24	(0.03)
<b>Cash and bank balances at the end of the year</b>	<b>212.94</b>	<b>80.06</b>
<b>Cash and bank balances at the end of the year comprises of</b>		
(a) Cash on hand	35.96	30.98
(b) Balances with banks		
in current account	131.25	46.12
in EEFC account	45.73	2.96
	<b>212.94</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. Government of India vide press release dated December 31, 2020 introduced the benefit of the Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) to all export goods with effect from January 01, 2021. With the introduction of the RoDTEP scheme, the benefit of ROSCTL scheme stood withdrawn with effect from January 01, 2021. Considering that the rates of RoDTEP are yet to be notified, the Company has not accrued income relating to benefits of RoDTEP scheme for the period January 01, 2021 to March 31, 2021. To this extent the results of the Quarter and year ended March 31, 2021 are not comparable.

7. Due to the second wave of spreading of COVID -19 across India, the State Government of Tamil Nadu announced a lockdown in the months of April 2021 till June 2021, [the Company suspended operation across various locations during complete lockdown days], which was extended with various restrictions to contain the spread of the virus. 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 2021-22. In this regard, the Company will continue to closely monitor any material changes to future economic conditions

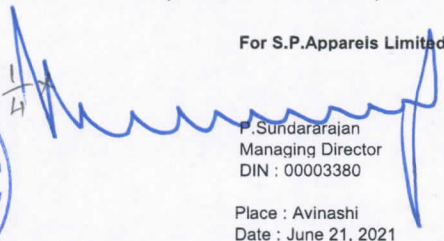
8. The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020, which could impact the contributions by the company towards Provident Fund, Gratuity and other social security. The effective date from which the changes are applicable is yet to be notified, and the 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

9. Events after reporting period : The board has recommended a final dividend of 22.5% [ INR 2.25/- per share of the face value of INR 10/- each] for the year 2020-21 subject to the approval of the Shareholders in the Annual General Meeting.

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

Place : Chennai  
Date : June 21, 2021



For S.P.Apparels Limited  
  
P. Sundararajan  
Managing Director  
DIN : 00003380  
Place : Avinashi  
Date : June 21, 2021

  
V. Balaji  
Chief Financial Officer





**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: cs@sp-apparels.com, Website: www.spapparels.com  
Audited Standalone Financial Results for the quarter and year ended March 31, 2021  
(Prepared in Compliance with Indian Accounting Standards - IND AS)

Statement of Audited Financial Results for the quarter and year ended March 31, 2021		Quarter ended March 31, 2021 [Audited] Rs in Millions	Quarter ended December 31, 2020 [Unaudited] Rs in Millions	Quarter ended March 31, 2020 [Audited] Rs in Millions	For the year ended March 31, 2021 [Audited] Rs in Millions	For the year ended March 31, 2020 [Audited] Rs in Millions
Particulars	S.No					
<b>Income</b>						
Revenue from operations	1	1,696.81	1,881.95	1,566.10	5,755.16	7,583.10
Other income	2	5.91	0.87	14.78	11.72	238.08
<b>Total Income (3 = 1+2)</b>		<b>1,702.72</b>	<b>1,882.82</b>	<b>1,580.88</b>	<b>5,766.88</b>	<b>7,821.18</b>
<b>Expenses</b>						
Cost of materials and services consumed	4	514.85	571.56	405.20	1,782.68	2,407.81
Purchases of Stock-in-Trade - Traded goods	5	71.09	81.00	130.94	240.19	522.87
Changes in inventories of finished goods, stock-in-trade and work-in-progress - (Increase)/Decrease	6	82.90	27.97	117.73	(26.97)	176.59
Employee benefits expense	7	668.84	680.53	653.87	1,995.90	3,107.27
Finance costs	8	446.94	457.00	440.48	1,479.67	1,950.16
Depreciation and amortisation expense	9	22.09	36.09	53.15	137.60	224.21
Other expenses	10	80.17	89.23	87.61	340.05	316.32
<b>Total Expenses (11 = 4 to 10)</b>		<b>1,559.90</b>	<b>1,634.77</b>	<b>1,533.42</b>	<b>5,227.92</b>	<b>7,314.72</b>
<b>Profit/ (Loss) before exceptional items and tax (12 = 3 less 11)</b>		<b>142.82</b>	<b>248.05</b>	<b>47.46</b>	<b>538.96</b>	<b>506.46</b>
Exceptional Items	13	-	-	-	-	97.31
<b>Net Profit/(Loss) for the period before tax (14 = 12 less 13)</b>		<b>142.82</b>	<b>248.05</b>	<b>47.46</b>	<b>538.96</b>	<b>409.15</b>
<b>Tax expense:</b>						
(a) Current tax expense		61.05	62.42	11.95	160.75	102.98
(b) Short / (Excess) provision for tax relating to prior years		-	4.59	1.73	4.59	(7.55)
(c) Deferred Tax		(16.44)	-	5.84	(13.22)	(126.55)
<b>Tax expense (15 = a+b+c)</b>		<b>44.61</b>	<b>67.01</b>	<b>19.52</b>	<b>152.12</b>	<b>(31.12)</b>
<b>Net Profit/(Loss) for the period after tax (16 = 14 less 15)</b>		<b>98.21</b>	<b>181.04</b>	<b>27.94</b>	<b>386.84</b>	<b>440.27</b>
<b>Other Comprehensive Income for the period</b>						
A (i) Items that will not be reclassified to Profit or Loss		(11.51)	(11.50)	2.04	(23.01)	5.75
Actual gain/(loss) on defined benefit plans		(103.18)	2.90	(0.52)	(100.28)	(1.45)
(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		24.19	(40.47)	(20.24)	50.46	(105.37)
The effective portion of gain/(loss) on hedging instruments in a cash flow hedge		(6.09)	10.19	5.09	(12.70)	26.52
Translation difference		(96.59)	(38.88)	(13.63)	(85.53)	(74.55)
(ii) Income tax relating to items that will be reclassified to Profit or Loss						
<b>Total Other Comprehensive Income (net of taxes) (17)</b>		<b>1.62</b>	<b>142.16</b>	<b>14.31</b>	<b>301.31</b>	<b>365.72</b>
<b>Total Comprehensive Income/(loss) for the period after tax (18 = 16 plus 17)</b>						
<b>Paid-up equity share capital (face value Rs. 10/-) [Amount]</b>		256,926,000	256,926,000	256,926,000	256,926,000	256,926,000
<b>Earning Per Share (Rs.) - Basic and Diluted [Net Profit/(loss) for the period after tax/Weighted average number of equity shares]</b>		3.82	7.05	1.09	15.06	17.14



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**See accompanying notes to the Financial Results**

**Notes:**

1. The above audited standalone financial results for the quarter and twelve months ended March 31, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on June 21, 2021.
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. 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 March 31, 2021 is the balancing figures between consolidated audited figures of the twelve months ended March 31, 2021 and the published unaudited results of nine months ended December 31, 2020 of the current financial year were subjected to limited review.
7. Government of India vide press release dated December 31, 2020 introduced the benefit of the Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) to all export goods with effect from January 01, 2021. With the introduction of the RoDTEP scheme, the benefit of ROSCTL scheme stood withdrawn with effect from January 01, 2021. Considering that the rates of RoDTEP are yet to be notified, the Company has not accrued income relating to benefits of RoDTEP scheme for the period January 01, 2021 to March 31, 2021. To this extent the results of the Quarter and year ended March 31, 2021 are not comparable
8. 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.
9. 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.
10. Due to the second wave of spreading of COVID -19 across India, the State Government of Tamil Nadu announced a lockdown in the months of April 2021 till June 2021, [the Company suspended operation across various locations during complete lockdown days], which was extended with various restrictions to contain the spread of the virus. 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 2021-22. In this regard, the Company will continue to closely monitor any material changes to future economic conditions
11. 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.
12. Events after reporting period : The board has recommended a final dividend of 22.5% [ INR 2.25/- per share of the face value of INR 10/- each] for the year 2020-21 subject to the approval of the Shareholders in the Annual General Meeting.
13. Previous period figures have been regrouped / reclassified, wherever necessary, to confirm to the current period classification / presentation.

For S.P.Apparels Limited

P.Sundararajan  
Managing Director  
DIN : 00003380

Place : Chennai

Date : June 21, 2021

V.Balaji  
Chief Financial Officer

Place : Avinashi

Date : June 21, 2021





## 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, 2021 ("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, 2021.

### 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.

#### **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.9.21 Million as at March 31, 2021, Group's share of total revenue of Rs. 0.14 Million for the quarter and Rs. 12.89 Million for the year and Group's share of total net profit/(loss) after tax of Rs. (0.81) Million for the quarter and Rs. (1.14) 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.393.53 Million as at March 31, 2021, Group's share of total revenue of Rs. 217.66 Million for the quarter and Rs.769.88 Million for the year and Group's share of total net profit/(loss) after tax of Rs. 3.61 Million for the quarter and Rs. 28.58 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, 2021, 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.

Further, due to the second wave of spreading of COVID -19 across India, the State Government of Tamil Nadu announced a lockdown in the months of April 2021, May 2021 and June 2021 which was extended with various restrictions across the India to contain the spread of the virus. This has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).





As a result of the above, certain portions of the audit was carried out based on remote access of the data as provided the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the Company.

**For ASA & Associates LLP**

Chartered Accountants

Firm Registration No: 009571N/N500006

UDIN: 21028738AAAABY7822



**D K Giridharan**

Partner

Membership No: 028738



Place: Chennai

Date: June 21, 2021

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<b>S.P. Apparels Limited</b> CIN: L18101TZ2005PLC012295 Regd. Office: 39 – A, Extention 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 <b>Audited Consolidated statement of financial position as at March 31, 2021</b> <b>(Prepared in Compliance with Indian Accounting Standards - IND AS)</b>		
Details	As at March 31, 2021 [Audited] Rs in Millions	As at March 31, 2020 [Audited] Rs in Millions
<b>ASSETS</b>		
<b>Non Current Assets</b>		
a. Property, Plant and Equipment	4,007.64	3,964.82
b. Right of Use Assets	372.56	414.08
c. Capital work-in-progress	102.40	-
d. Intangible Assets	59.73	60.52
	<b>4,542.33</b>	<b>4,439.42</b>
d. Financial Assets		
- Investments	1.88	1.88
- Loans and Advances	-	0.63
- Others	209.79	176.34
e. Other non-current assets	10.44	21.06
	<b>4,764.44</b>	<b>4,639.33</b>
<b>Current Assets</b>		
a. Inventories	2,413.49	2,277.56
b. Financial Assets		
- Trade Receivables	1,166.83	940.41
- Cash and cash equivalents	411.77	463.01
c. Other current assets	345.95	604.36
	<b>4,338.04</b>	<b>4,285.34</b>
<b>Total Assets</b>	<b>9,102.48</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	5,326.92	4,975.29
	<b>5,583.85</b>	<b>5,232.22</b>
<b>Minority Interest</b>	<b>(64.50)</b>	<b>(64.16)</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
a. Financial Liabilities		
- Borrowings	547.13	616.03
- Other Financial liabilities	135.83	132.38
b. Deferred tax liabilities (net)	301.78	201.19
c. Other non-current liabilities	-	-
	<b>984.74</b>	<b>949.60</b>
<b>Current liabilities</b>		
a. Financial Liabilities		
- Borrowings	1,282.06	1,555.16
- Trade payables	911.39	845.03
- Other Financial liabilities	256.80	304.56
b. Other current liabilities	60.03	21.09
c. Provisions	88.11	81.17
	<b>2,598.39</b>	<b>2,807.01</b>
<b>Total Equity and Liabilities</b>	<b>9,102.48</b>	<b>8,924.67</b>

See accompanying notes to the Financial Results

Notes:

1. The disclosure is an extract of audited consolidated balance sheet as at March 31, 2021 and audited consolidated 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 June 21, 2021

2. The disclosure is an extract of audited consolidated statement of cashflows for the year ended March 31, 2021 and audited consolidated 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 June 21, 2021



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**Audited consolidated Statement of Cashflows for the quarter and year ended March 31, 2021**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	Rs. In Millions	Rs. In Millions
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	591.42	541.40
<u>Adjustments for:</u>		
Depreciation and amortization expense	323.05	299.34
(Profit) / loss on Sale of assets	2.26	9.18
Amortisation of Lease prepayments	(3.15)	(3.94)
Bad debts written off	37.11	14.32
Stock provision - IND AS	62.82	
SOR Adjustments - Sales	(116.56)	(0.97)
Finance costs	102.27	179.21
Interest income	(7.01)	(14.57)
Dividend income	(1.25)	
Unrealised exchange (gain)/loss	5.22	22.19
Provision for MTM (gain)/loss on forward contracts	(19.79)	58.45
<b>Operating profits before working capital changes</b>	<b>976.39</b>	<b>1,104.61</b>
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	(198.75)	187.35
Trade receivables	(152.31)	330.65
Loans and advances/Current assets	228.76	(423.97)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables/Other current liabilities/Provisions	91.77	(244.18)
<b>Cash Generated from Operations</b>	<b>945.86</b>	<b>954.46</b>
Net income tax (paid) / refunds	(140.82)	(127.40)
<b>Net Cash from Operating Activities before exceptional item</b>	<b>805.04</b>	<b>827.06</b>
Exceptional Item	-	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>805.04</b>	<b>827.06</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on fixed assets, including capital advances	(442.97)	(515.44)
Proceeds from sale of fixed assets	2.44	4.05
Bank deposits not considered as cash equivalents	224.64	107.14
Purchase of investments - Others	-	(0.03)
Proceeds from sale of investments - Others	-	0.94
Dividend received - Others	1.25	-
Interest received - Bank deposits	7.01	14.57
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(207.63)</b>	<b>(388.77)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(repayment) of long term borrowings	(47.88)	(40.15)
Net Increase/(decrease) of working capital borrowings	(273.62)	(230.19)
Finance costs	(102.27)	(179.21)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(423.77)</b>	<b>(449.55)</b>
<b>Net increase / (decrease) in Cash and bank balances (A+B+C)</b>	<b>173.64</b>	<b>(11.26)</b>
Cash and bank balances at the beginning of the year	133.85	145.14
Effect of exchange differences on restatement of foreign currency Cash and bank balances	(0.24)	(0.03)
<b>Cash and bank balances at the end of the year</b>	<b>307.25</b>	<b>133.85</b>
<b>Cash and bank balances at the end of the year comprises of</b>		
(a) Cash on hand	35.96	30.98
(b) Balances with banks		
in current account	225.56	99.91
in EEFC account	45.73	2.96
	<b>307.25</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. Government of India vide press release dated December 31, 2020 introduced the benefit of the Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) to all export goods with effect from January 01, 2021. With the introduction of the RoDTEP scheme, the benefit of ROSCTL scheme stood withdrawn with effect from January 01, 2021. Considering that the rates of RoDTEP are yet to be notified, the Company has not accrued income relating to benefits of RoDTEP scheme for the period January 01, 2021 to March 31, 2021. To this extent the results of the Quarter and year ended March 31, 2021 are not comparable.

7. Due to the second wave of spreading of COVID -19 across India, the State Government of Tamil Nadu announced a lockdown in the months of April 2021 till June 2021, [the Company suspended operation across various locations during complete lockdown days], which was extended with various restrictions to contain the spread of the virus. 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 2021-22. In this regard, the Company will continue to closely monitor any material changes to future economic conditions.

8. 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.

9. The consolidated balance sheet includes the interim financial results of one subsidiaries which have been consolidated based on management accounts, whose total asset amounting to INR 393.53 million as at March 31, 2021 as considered in the consolidated balance sheet.

10. Events after reporting period : The board has recommended a final dividend of 22.5% [ INR 2.25/- per share of the face value of INR 10/- each] for the year 2020-21 subject to the approval of the Shareholders in the Annual General Meeting.

11. 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 : June 21, 2021

Place : Avinashi  
Date : June 21, 2021



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**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: cs@sp-apparels.com, Website: www.sp-apparels.com

**Audited Consolidated Financial Results for the quarter and year ended March 31, 2021**

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

Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2021		(Rupees in millions except EPS and unless otherwise stated)				
Particulars	S.No	Quarter ended March 31, 2021 [Audited] Rs in Millions	Quarter ended December 31, 2020 [Unaudited] Rs in Millions	Quarter ended March 31, 2020 [Audited] Rs in Millions	For the year ended March 31, 2021 [Audited] Rs in Millions	For the year ended March 31, 2020 [Audited] Rs in Millions
Revenue from operations	1	1,916.23	2,095.40	1,683.67	6,523.14	8,089.66
Other income	2	4.29	2.27	11.56	13.76	237.07
<b>Total Income (3 = 1+2)</b>		<b>1,920.52</b>	<b>2,097.67</b>	<b>1,695.23</b>	<b>6,536.90</b>	<b>8,326.73</b>
<b>Expenses</b>						
Cost of materials and services consumed	4	514.85	571.56	405.20	1,782.68	2,407.81
Purchases of Stock-in-Trade - Traded goods	5	269.72	273.99	235.89	940.20	984.27
Changes in inventories of finished goods, stock-in-trade and work-in-progress - (Increase)/Decrease	6	82.92	27.99	116.04	(25.15)	174.90
Employee benefits expense	7	867.49	873.54	757.13	2,697.73	3,566.98
Finance costs	8	450.72	460.75	443.82	1,491.65	1,961.37
Depreciation and amortisation expense	9	23.53	37.49	54.23	142.75	227.81
Other expenses	10	75.66	84.95	83.40	323.05	299.34
		351.24	374.75	305.03	1,290.30	1,729.83
<b>Total Expenses (11 = 4 to 10)</b>		<b>1,768.64</b>	<b>1,831.48</b>	<b>1,643.61</b>	<b>5,945.48</b>	<b>7,785.33</b>
<b>Profit/(Loss) before exceptional items and tax (12 = 3 less 11)</b>		<b>151.88</b>	<b>266.19</b>	<b>51.62</b>	<b>591.42</b>	<b>541.40</b>
Exceptional items	13	-	-	-	-	97.31
<b>Net Profit/(Loss) for the period before tax (14 = 12 less 13)</b>		<b>151.88</b>	<b>266.19</b>	<b>51.62</b>	<b>591.42</b>	<b>444.09</b>
<b>Tax expense:</b>						
(a) Current tax expense		61.91	65.06	12.51	167.49	105.55
(b) Short / (Excess) provision for tax relating to prior years		-	4.59	1.73	4.59	(7.55)
(c) Deferred Tax		(15.60)	(0.00)	9.29	(12.38)	(123.10)
<b>Tax expense (15 = a+b+c)</b>		<b>46.31</b>	<b>69.65</b>	<b>23.53</b>	<b>159.70</b>	<b>(25.10)</b>
<b>Profit for the year from continuing operations</b>		<b>105.57</b>	<b>196.54</b>	<b>28.09</b>	<b>431.72</b>	<b>469.19</b>
<b>Net Profit/(Loss) for the period after tax (16 = 14 less 15)</b>		<b>105.57</b>	<b>196.54</b>	<b>28.09</b>	<b>431.72</b>	<b>469.19</b>
<b>Other Comprehensive Income for the period</b>						
A (i) Items that will not be reclassified to Profit or Loss		(11.51)	(11.50)	2.04	(23.01)	5.75
Actuarial gain/(loss) on defined benefit plans		(103.18)	2.90	(0.52)	(100.28)	(1.45)
(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		24.19	(40.47)	(20.24)	50.46	(105.37)
The effective portion of gain/(loss) on hedging instruments in a cash flow hedge		(6.09)	10.19	5.09	(12.70)	26.52
Translation difference		(96.59)	(38.88)	(13.63)	(85.53)	(74.55)
(ii) Income tax relating to items that will be reclassified to Profit or Loss		0.24	0.00	1.97	0.34	0.37
<b>Total Other Comprehensive Income (net of taxes) (17)</b>		<b>9.22</b>	<b>157.66</b>	<b>16.43</b>	<b>346.53</b>	<b>395.01</b>
<b>Minority Interest (18)</b>						
<b>Total Comprehensive Income for the period after tax (19 = 16 plus 17 plus 18)</b>		<b>256,926,000</b>	<b>256,926,000</b>	<b>256,926,000</b>	<b>256,926,000</b>	<b>256,926,000</b>
<b>Paid-up equity share capital (face value Rs. 10/-) [Amount]</b>						
<b>Earning Per Share (Rs.) - Basic and Diluted [Net Profit/(loss) for the period after tax/Weighted average number of equity shares]</b>		<b>4.11</b>	<b>7.65</b>	<b>1.09</b>	<b>16.80</b>	<b>18.26</b>





**See accompanying notes to the Financial Results**

**Notes:**

1. The above audited consolidated financial results for the quarter and twelve months ended March 31, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on June 21, 2021.
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. 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 March 31, 2021 is the balancing figures between consolidated audited figures of the twelve months ended March 31, 2021 and the published unaudited results of nine months ended December 31, 2020 of the current financial year were subjected to limited review.
7. Government of India wide press release dated December 31, 2020 introduced the benefit of the Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) to all export goods with effect from January 01, 2021. With the introduction of the RoDTEP scheme, the benefit of RoDTEP scheme stood withdrawn with effect from January 01, 2021. Considering that the rates of RoDTEP are yet to be notified, the Company has not accrued income relating to benefits of RoDTEP scheme for the period January 01, 2021 to March 31, 2021. To this extent the results of the Quarter and year ended March 31, 2021 are not comparable
8. 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.
9. 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
10. Due to the second wave of spreading of COVID -19 across India, the State Government of Tamil Nadu announced a lockdown in the months of April 2021 till June 2021, [the Company suspended operation across various locations during complete lockdown days], which was extended with various restrictions to contain the spread of the virus. 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 2021-22. In this regard, the Company will continue to closely monitor any material changes to future economic conditions.
11. 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.
12. 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. 769.88 million for the year ended March 31, 2021 and Total Comprehensive Income of Rs 28.58 million for the year ended March 31, 2021 as considered in the consolidated financial results.
13. Events after reporting period : The board has recommended a final dividend of 22.5% [ INR 2.25/- per share of the face value of INR 10/- each] for the year 2020-21 subject to the approval of the Shareholders in the Annual General Meeting
14. Previous period figures have been regrouped / reclassified, wherever necessary, to confirm to the current period classification / presentation.

For S.P.Apparels Limited

P.Sundararajan  
Managing Director  
DIN : 00003380

Place : Avinashi  
Date : June 21, 2021

V.Balaji  
Chief Financial Officer





**S.P.APPARELS LTD.**

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**Annexure – A**

**DECLARATION**

In terms of regulation 33(3)(d) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended by SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2016, we hereby declare that M/s. ASA & Associates LLP, Chartered Accountants, the Statutory Auditors of the Company have issued an Audit Report with unmodified opinion on the audited financial results of the Company for the period ended on 31<sup>st</sup> March 2021.

Request you to take the same on your record.

**For S.P. Apparels Limited**

**K.Vinodhini**  
**Company Secretary and Compliance Officer**