



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

16th May 2023

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 08.05.2023.

Further to our Notice under reference, we wish to inform you that the Board of Directors of the Company at their Meeting held on 16th May, 2023, have approved the following Audited Financial Results of the Company for the Year ended 31.03.2023.

1. Standalone
2. Consolidated

We are sending herewith the Certified True Copies of the aforesaid Results along with the Auditors Report issued by the Statutory Auditors of the Company, Statement of Assets and Liabilities, Income Statement, Cash flow and Declaration as per LODR for un-modified opinion (Annexure – A & B).

The Board Meeting Commenced at 12.30 PM and Concluded at 3.10 PM.

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 2022-23
Performance on Financials

STANDALONE BASIS :

- Total Revenue for the quarter is Rs.2367.13 millions as against Rs.2201.98 millions on a YoY basis which is growth of 7.50 %
- Profit after Tax for the quarter Rs. 232.74 millions as against 252.68 millions profit on a YoY basis.
- The Total Revenue for the Quarter is Rs. 2367.13 Millions as against Revenue of Rs.2269.48 millions on QoQ basis which is growth of 4.30%
- Profit after Tax for the quarter is Rs. 232.74 millions as against Profit Rs. 162.29 millions on a QoQ basis which is growth of 43.41%
- Earnings per share for the quarter Rs. 9.18 as against Rs. 6.37 on a QoQ basis.

CONSOLIDATION BASIS :

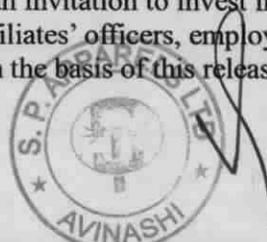
- The Total Revenue for the quarter is Rs.2770.65 millions as against Rs.2585.27 millions on a YoY basis which is growth of 7.17 %
- Profit after Tax for the quarter Rs. 205.17 millions as against Rs.252.50 millions profit on a YoY basis.
- The Total Revenue for the Quarter is Rs. 2770.65 Millions as against Revenue of Rs. 2588.29 millions on QoQ basis which is 7.05%
- Profit after Tax for the quarter is Rs. 205.17 millions as against Profit Rs. 132.73 millions on a QoQ basis which is growth of 54.58%.
- Earnings per share for the quarter Rs. 8.18 as against Rs. 5.21 on a QoQ basis.

DIVISION PERFORMANCE

- Garment Division Adjusted revenue stood Rs.2325.45 millions with adjusted EBITDA Rs.413.15 millions @17.77% during the quarter
- S.P.Retail Ventures Limited revenue stood Rs. 256.45 millions with EBITDA Rs.(33.68) millions during the quarter
- S.P.Apparels UK (P) limited revenue stood Rs. 146.98 millions with EBITDA Rs.(1.18) millions during the quarter
- Sales Quantity exported for the current quarter 14.42 million Pcs as against 13.38 million pcs on a QoQ basis.

DISCLAIMER

The information in this release has been included in good faith and is for general purpose only. It should not be relied upon for any specific purpose and no representation or warranty is given as regards to its accuracy or completeness. No information in this release shall constitute an invitation to invest in S.P.Apparels limited or any of its affiliates. Neither S.P.Apparels limited nor their or their affiliates' officers, employees or agents shall be liable for any loss, damage or expense arising out of any action taken on the basis of this release, including, without limitation, any loss of profit, indirect, incidental or consequential loss.



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 Statement of Standalone Financial Results of **S.P. Apparels Limited ("the Company")** for the year ended March 31, 2023 ("the Statement"), 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 (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- i. is presented in accordance with the requirements of Regulations 33 of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India, of the standalone net profit and other comprehensive income and other financial information of the Company for the quarter and year then ended March 31, 2023.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the quarter and year ended March 31, 2023 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's and Board of Director's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these Standalone Financial Results that give a true and fair view of the standalone net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS, 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 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 the 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 is 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 is also responsible for overseeing the financial reporting process of the Company.

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 this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 financial controls 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 such controls.
- 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 Company 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 Statement 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 Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.



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 standalone results for the quarter ended March 31, 2023, being the balancing figure between the audited figures in respect of full financial year ended March 31, 2023 and the published unaudited year to date figures upto the third quarter of the current financial year which were subjected to limited review by us.

For **ASA & Associates LLP**

Chartered Accountants

ICAI Firm Registration No. 009571N/N500006



DK Girdharan

Partner

Membership No.: 028738

UDIN: 23028738BGXXEM6534



Place: Avinashi

Date: May 16, 2023

S.P.APPARELS LIMITED

CIN: L18101TZ2005PLC012295

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Tel : +91-4296-714000, Fax : +91-4296-714280, 714281 E-mail: csoffice@s-p-apparels.com, Website: www.spapparels.com

Audited Standalone Financial Results for the quarter and year ended March 31, 2023

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

Statement of Audited Financial Results for the quarter and year ended March 31, 2023		Quarter ended March 31, 2023 (Audited)	Quarter ended December 31, 2022 (Unaudited)	Quarter ended March 31, 2022 (Audited)	For the year ended March 31, 2023 (Audited)	For the year ended March 31, 2022 (Audited)
Particulars		Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
CONTINUING OPERATION						
1	Income					
	Revenue from operations	2,348.13	2,193.45	2,156.24	9,395.22	7,350.87
2	Other income	19.00	76.03	45.74	227.98	93.70
	Total Income (3 = 1+2)	2,367.13	2,269.48	2,201.98	9,623.20	7,444.57
4	Expenses					
	Cost of materials and services consumed	667.28	858.58	983.29	3,568.09	2,984.51
5	Purchases of Stock-in-Trade - Traded goods	1.74	0.18	3.12	17.43	59.03
6	Changes in inventories of finished goods, stock-in-trade and work-in-progress - (Increase)/Decrease	262.25	(15.63)	(183.07)	212.54	(541.33)
7	Employee benefits expense	931.27	843.13	803.34	3,798.06	2,502.21
8	Finance costs	570.03	579.56	500.22	2,236.56	1,806.22
9	Depreciation and amortisation expense	57.90	7.33	32.87	156.16	105.95
10	Other expenses	84.81	85.12	84.77	337.51	324.07
		418.45	528.37	420.07	1,872.16	1,498.31
	Total Expenses (11 = 4 to 10)	2,062.46	2,043.51	1,841.27	8,400.45	6,236.76
	Net Profit/(Loss) for the period before tax (12 = 3 less 11)	304.67	225.97	360.71	1,222.75	1,207.81
Tax expense:						
	(a) Current tax expense	70.24	56.88	94.70	302.37	287.17
	(b) Short / (Excess) provision for tax relating to prior years	-	-	-	(2.62)	(17.70)
	(c) Deferred Tax	1.69	6.80	13.33	4.87	23.99
	Tax expense (13 = a+b+c)	71.93	63.68	108.03	304.62	293.46
	Net Profit/(Loss) for the period after tax from continuing operations (14 = 12 less 13)	232.74	162.29	252.68	918.13	914.35
	Net Profit/(Loss) for the period after tax from discontinuing operations (15) [refer note 6 below]	-	-	-	-	(82.35)
	Net Profit/(Loss) for the period after tax from continuing and discontinuing operations (16= 14 plus 15)	232.74	162.29	252.68	918.13	832.00

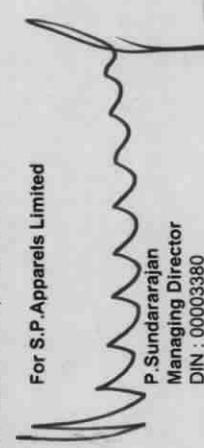


	[Not annualised]	[Not annualised]	[Not annualised]	[Not annualised]	[Annualised]	[Annualised]
Other Comprehensive Income for the period						
A (i) Items that will not be reclassified to Profit or Loss						
Actuarial gain/(loss) on defined benefit plans	22.63	(4.06)	22.63	(4.06)	22.63	(4.06)
(ii) Income tax relating to items that will not be reclassified to Profit or Loss	(5.69)	1.02	(5.69)	1.02	(5.69)	1.02
The effective portion of gain/(loss) on hedging instruments in a cash flow hedge	47.45	(18.07)	(241.19)	(110.86)	(110.86)	11.45
Translation difference	(11.94)	4.55	60.70	27.90	27.90	(2.88)
(ii) Income tax relating to items that will be reclassified to Profit or Loss	52.45	(16.56)	(180.49)	(66.02)	(66.02)	5.53
Total Other Comprehensive Income (net of taxes) (17)	285.19	236.12	(18.20)	852.11	852.11	837.53
Total Comprehensive Income/(loss) for the period after tax (18 = 16 plus 17)	25,09,26,000	25,69,26,000	25,49,26,000	25,49,26,000	25,49,26,000	25,69,26,000
Paid-up equity share capital (face value Rs. 10/-) [Amount]						
Earning Per Share (Rs.) - Basic and Diluted [Net Profit/(loss) for the period after tax/Weighted average number of equity shares] - For Continuing operations	9.28	9.83	6.37	36.02	36.02	35.59
Earning Per Share (Rs.) - Basic and Diluted [Net Profit/(loss) for the period after tax/Weighted average number of equity shares] - For Discontinued operation	0.00	0.00	0.00	0.00	0.00	(3.20)
Earning Per Share (Rs.) - Basic and Diluted [Net Profit/(loss) for the period after tax/Weighted average number of equity shares] - For Continuing & Discontinued operations	9.28	9.83	6.37	36.02	36.02	32.39

See accompanying notes to the Financial Results

- Notes:**
- The above audited standalone financial results for the quarter and year ended March 31, 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 16, 2023.
 - This statement has been prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 and other generally accepted accounting policies and principles.
 - After obtaining the approval from the Board, at its meeting on September 21, 2022, the buyback of 600000 Equity Shares of Rs 10 each (representing 2.34% of the total number of paid up equity shares of the Company) from the shareholders of the Company on a proportionate basis by way of tender route at a price of Rs 585 per share for an amount not exceeding Rs.351 Million(5.62% of paid up capital and free reserves) was initiated in accordance with the provisions of the Companies act, 2013 and the SEBI (Buy back) regulations. The extinguishment of equity shares was completed on November 30, 2022.
 - 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.
 - The results for the quarter ended March 31, 2023 is the balancing figures between standalone audited figures of year ended March 31,2023 and the published unaudited year to date figures up to the third quarter of the current financial year, which were subjected to limited review.
 - During the previous year, pursuant to the approvals received from the Board of Directors on August 20, 2021, and from the shareholders on August 21, 2021, the Company has hived off its the retail operations to its wholly owned subsidiary, S.P. Retail Ventures Limited on a going concern basis by way of slump sale effective from January 01, 2022 for a consideration of Rs 535.00 Million. Hence Retail business has been disclosed as discontinued operations in standalone financial results of previous year.
 - 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 : 000033380


V.Balaji
Chief Financial Officer



Place : Avinashi
Date : May 16, 2023

S.P. Apparels Limited

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

Audited Statement of Standalone Financial Position as at March 31, 2023

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

Details	As at	As at
	March 31, 2023	March 31, 2022
	[Audited]	[Audited]
	Rs in Millions	Rs in Millions
ASSETS		
Non Current Assets		
a. Property, Plant and Equipment	4,094.07	4,003.56
b. Right of Use Assets	291.61	331.91
c. Capital work-in-progress	98.67	77.47
d. Intangible Assets	-	-
e. Intangible Assets Under Development	3.36	-
	4,487.71	4,412.94
f. Financial Assets		
- Investments	1,024.64	82.31
- Loans and Advances	48.93	46.06
- Other financial assets	220.37	725.75
g. Other non-current assets	10.13	30.57
	5,791.78	5,297.63
Current Assets		
a. Inventories	2,370.23	2,958.95
b. Financial Assets		
- Investments	726.24	26.24
- Trade Receivables	423.19	619.22
- Cash and cash equivalents	470.82	490.97
- Bank Balances other than above	42.24	69.16
- Other financial assets	-	97.79
c. Other current assets	219.36	448.21
	4,252.08	4,710.54
Total Assets	10,043.86	10,008.17
EQUITY AND LIABILITIES		
Equity		
a. Equity Share capital	250.93	256.93
b. Other Equity	6,499.73	6,044.32
	6,750.66	6,301.25
Liabilities		
Non-current liabilities		
a. Financial Liabilities		
- Borrowings	54.57	337.67
- Lease Liabilities	284.64	311.17
- Other Financial liabilities	87.29	117.03
b. Deferred tax liabilities (net)	340.82	358.17
	767.32	1,124.04
Current liabilities		
a. Financial Liabilities		
- Borrowings	1,560.95	1,396.32
- Lease Liabilities	0.29	1.66
- Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	130.82	239.06
- Total outstanding dues of creditors other than micro enterprises and small enterprises	430.15	580.23
- Other Financial Liabilities	286.54	228.79
b. Other Current Liabilities	45.35	50.30
c. Provisions	71.78	86.52
	2,525.88	2,582.88
Total Equity and Liabilities	10,043.86	10,008.17

See accompanying notes to the Standalone Financial Results

Notes:

1. The disclosure is an extract of audited balance sheet as at March 31, 2023 and audited balance sheet as at March 31, 2022 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 May 16, 2023

2. After obtaining the approval from the Board, at its meeting on September 21, 2022, the Buyback of 600,000 Equity Shares representing 2.34% of the paid-up equity share capital of the Company at a price of Rs 585 per Equity shares from all the equity shareholders of the Company on a proportionate basis through the "Tender offer" route at a price of Rs.585/- per share for an aggregate amount of 351.00 millions was initiated in accordance of the provisions of the companies act 2013 and SEBI (Buy back of securities) regulations 2018. The extinguishment of equity shares completed on November, 30 2022.



Audited Statement of Standalone Cashflows for the year ended March 31, 2023

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2022
	[Audited]	[Audited]	[Audited]
	Rs in Millions	Discontinued	Continued
	Rs in Millions	Rs in Millions	Rs in Millions
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax	1,222.75	(82.35)	1,207.81
<i>Adjustments for:</i>			
Depreciation and amortization expense	337.51	22.45	324.07
(Profit) /loss on Sale of assets	4.89	-	3.98
(Profit) /loss on Sale of investment	(6.67)	-	(2.73)
Amortisation of Lease prepayments	(8.23)	-	(2.83)
Bad debts written off	2.00	4.39	6.06
Liability written back	(0.85)	-	-
Stock provision - IND AS	-	9.43	-
Other Adjustments	-	(14.22)	-
Finance costs	119.16	-	81.92
Interest income	(7.62)	-	(7.53)
Dividend income	(0.30)	-	(3.29)
Unrealised exchange (gain)/loss	13.32	-	(6.11)
Provision for MTM (gain)/loss on forward contracts	97.41	-	(67.19)
Operating profits before working capital changes	1,773.37	(60.30)	1,534.16
<i>Changes in working capital:</i>			
<i>Adjustments for (increase) / decrease in operating assets:</i>			
Inventories	588.71	10.88	(798.97)
Trade receivables	189.00	188.64	(128.08)
Loans and advances/Current assets	163.10	(14.51)	(267.25)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>			
Trade payables/Other current liabilities/Provisions	(176.79)	(61.25)	359.78
Cash Generated from Operations	2,537.39	63.46	699.64
Net income tax (paid) / refunds	(267.61)	-	(244.06)
Net cash flow from / (used in) operating activities (A)	2,269.78	63.46	455.58
B. CASH FLOW FROM INVESTING ACTIVITIES			
Capital expenditure on fixed assets, including capital advances	(468.83)	(9.49)	(382.25)
Proceeds from sale of fixed assets	2.57	-	2.87
Proceeds from hive off of retail division	535.00	-	-
Bank deposits not considered as cash equivalents	26.92	-	35.02
Investment in a subsidiary	(540.00)	-	-
Purchase of investments - Others	(1,428.57)	-	(0.94)
Proceeds from sale of investment	306.67	-	-
Dividend received - Others	0.30	-	3.29
Interest received - Bank deposits	7.62	-	6.27
Net cash flow from / (used in) investing activities (B)	(1,558.32)	(9.49)	(335.74)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds/(repayment) of long term borrowings and finance lease liabilities	(465.04)	-	222.48
Net Increase/(decrease) of working capital borrowings	255.25	(59.07)	117.98
Payment towards Buy back of shares including related expenses	(402.69)	-	-
Dividend Paid	-	-	(57.81)
Finance costs	(119.16)	-	(112.17)
Net cash flow from / (used in) financing activities (C)	(731.64)	(59.07)	170.48
Net increase / (decrease) in Cash and bank balances (A+B+C)	(20.18)	(5.10)	290.32
Cash and bank balances at the beginning of the year	490.97	10.79	202.16
Effect of exchange differences on restatement of foreign currency Cash and bank balances	0.03	-	(1.51)
Cash and bank balances transferred through slump sale at December 31, 2021	-	(5.69)	-
Cash and bank balances at the end of the year	470.82	0.00	490.97
Cash and bank balances at the end of the year comprises of			
(a) Cash on hand	79.72	-	34.66
(b) Balances with banks			
in current account	91.09	-	428.19
in deposit account	300.00	-	-
in EEFC account	0.01	-	28.12
	470.82	-	490.97
Less : Restricted Cash in Escrow account	-	-	-
	470.82	-	490.97

See accompanying notes to the Standalone Financial Results
Notes:

The disclosure is an extract of audited statement of cashflows for the year ended March 31, 2023 and audited statement of cashflows for the year ended March 31, 2022 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 May,16 2023

For S.P.Apparels Limited

P.Sundararajan
Managing Director
DIN : 00003380

V.Balaji
Chief Financial Officer

Place : Avinashi
Date : May 16, 2023



INDEPENDENT AUDITOR'S REPORT

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

Report on audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Statement of Consolidated Financial Results of **S.P. Apparels Limited** (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), for the quarter and year ended March 31, 2023 (the "Statement"), 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 (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- (i) includes the results of the following entities;
 - S.P. Apparels Limited (Holding Company)
 - S.P. Retail Ventures Limited (Subsidiary Company)
 - Crocodile Products Private Limited (Subsidiary Company)
 - S.P (Apparels) (UK) (P) Limited (Subsidiary Company)
- (ii) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of 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 (the "ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.



Management's and Board of Director's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of consolidated financial statements.

The Company's Management and the Board of Directors are responsible for the preparation of these Consolidated Financial Results that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Ind AS, 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 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective 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 this Consolidated Financial Results by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities 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 Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards 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 this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 financial controls 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 such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and the 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.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the 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.

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Results.

We communicate with those charged with governance of the 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.

Other Matters`

- A. The consolidated audited financial results include the audited financial results of 2 subsidiaries, whose financial statements/financial results reflect total assets (before consolidation adjustments) of INR 1,132.03 Mn as at March 31, 2023, total revenue of INR 828.25 Mn (before consolidation adjustments) and total net loss before tax of INR 114.98 Mn and total net cash inflows of INR 5.15 Mn (before consolidation adjustments) for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The independent auditor's report on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us are as stated in paragraph above.



- B. The consolidated audited financial results include the unaudited financial information/financial results of one subsidiary, whose financial statements/financial results reflect total assets (before consolidation adjustments) of INR 466.80 Mn as at March 31, 2023, total revenue of INR 579.95 Mn (before consolidation adjustments) and total net loss before tax of INR 0.13 Mn and total net cash inflows of INR 97.56 Mn (before consolidation adjustments) for the year ended on that date, as considered in the consolidated annual 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/information. In our opinion and according to the information and explanations given to us by the board of directors, this financial statement/information is not material to the group.

Our opinion on the consolidated financial statements 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 information furnished by the management.

- C. The statement includes the consolidated financial results for the quarter ended March 31, 2023, being the balancing figure between the audited figures in respect of full financial year ended March 31, 2023 and the published unaudited year to date figures up to the third quarter of the current financial year which were subjected to limited review by us.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006



D K Giridharan

Partner

Membership No: 028738

UDIN: 23028738BGXXEN9987



Place: Avinashi

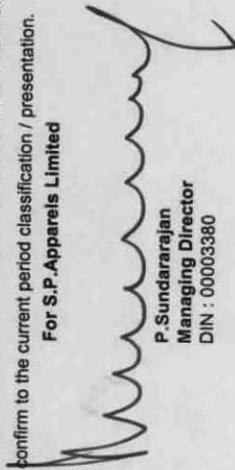
Date: May 16, 2023

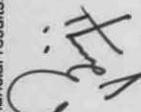
See accompanying notes to the Financial Results

Notes:

1. The above audited consolidated financial results for the quarter and year ended March 31, 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 16, 2023.
2. This statement has been prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 and other generally accepted accounting policies and principles.
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. The results for the quarter ended March 31, 2023 is the balancing figures between consolidated audited figures of year ended March 31,2023 and the published unaudited year to date figures up to the third quarter of the current financial year, which were subjected to limited review.
5. The consolidated financial results include financial results of S.P.Apparels Limited (Holding Company) and the financial results of its subsidiaries - S.P. Retail Ventures Limited, Crocodile Products Private Limited and S.P. Apparels UK (P) Limited
6. The consolidated financial results includes the financial results of one subsidiary which have been consolidated based on management accounts, whose financial results reflect total revenue of Rs. 146.93 million for the quarter ended March 31, 2023 and Total Comprehensive loss of Rs.3.68 million for the quarter ended March 31, 2023 as considered in the consolidated financial results.
7. 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


V. Balaji
Chief Financial Officer



Place : Avinashi
Date : **May 16, 2023**

S.P. Apparels Limited

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

Audited Consolidated statement of financial position as at March 31, 2023

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

Details	As at	As at
	March 31, 2023	March 31, 2022
	[Audited]	[Audited]
	Rs in Millions	Rs in Millions
ASSETS		
Non Current Assets		
a. Property, Plant and Equipment	4,223.71	4,105.06
b. Right of Use Assets	304.41	331.91
c. Capital work-in-progress	98.67	77.47
d. Intangible Assets	58.79	58.86
e. Intangible Assets Under Development	3.36	-
	4,688.94	4,573.30
f. Financial Assets		
- Investments	404.15	1.82
- Loans and Advances	3.09	-
- Others	210.80	327.90
g. Other non-current assets	10.13	41.98
	5,317.11	4,945.00
Current Assets		
a. Inventories	2,969.14	3,320.28
b. Financial Assets		
- Investments	726.24	-
- Trade Receivables	1,047.31	1,157.37
- Cash and cash equivalents	601.64	519.08
- Others	-	97.79
c. Other current assets	266.88	474.53
	5,653.45	5,671.24
Total Assets	10,970.56	10,616.24
EQUITY AND LIABILITIES		
Equity		
a. Equity Share capital	250.93	256.93
b. Other Equity	6,485.19	6,120.81
	6,736.12	6,377.74
Minority Interest	(64.97)	(65.27)
Liabilities		
Non-current liabilities		
a. Financial Liabilities		
- Borrowings	157.87	362.71
- Lease Liabilities	284.64	311.17
- Other Financial liabilities	106.13	134.77
b. Deferred tax liabilities (net)	291.36	330.81
c. Other non-current liabilities	0.22	0.24
	840.22	1,139.70
Current liabilities		
a. Financial Liabilities		
- Borrowings	2,004.05	1,637.60
- Lease Liabilities	0.29	1.66
- Trade payables	991.09	1,130.33
- Other Financial liabilities	299.17	235.66
b. Other current liabilities	92.82	72.46
c. Provisions	71.78	86.36
	3,459.20	3,164.07
Total Equity and Liabilities	10,970.56	10,616.24

See accompanying notes to the Financial Results

Notes:

1. The disclosure is an extract of audited consolidated balance sheet as at March 31, 2023 and audited consolidated balance sheet as at March 31, 2022 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 May 16, 2023

2. After obtaining the approval from the Board, at its meeting on September 21, 2022, the Buyback of 600,000 Equity Shares representing 2.34% of the paid-up equity share capital of the Company at a price of Rs 585 per Equity shares from all the equity shareholders of the Company on a proportionate basis through the "Tender offer" route at a price of Rs.585/- per share for an aggregate amount of 351.00 millions was initiated in accordance of the provisions of the companies act 2013 and SEBI (Buy back of securities) regulations 2018. The extinguishment of equity shares completed on November, 30 2022.



Audited consolidated Statement of Cashflows for the year ended March 31, 2023

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
	[Audited] Rs. in Millions	[Audited] Rs. in Millions
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,107.64	1,147.90
<i>Adjustments for:</i>		
Depreciation and amortization expense	359.00	346.29
(Profit) /loss on Sale of assets	4.89	3.98
(Profit) /loss on Sale of investment	(6.67)	(2.73)
Amortisation of Lease prepayments	2.00	10.45
Bad debts written off	(9.76)	(2.83)
Stock provision - IND AS	-	9.43
Liability written back	(0.85)	
Other Adjustments	-	(14.22)
Finance costs	144.56	88.28
Interest income	(7.62)	(8.02)
Unrealised exchange (gain)/loss	13.32	(6.11)
Provision for MTM (gain)/loss on forward contracts	97.41	(67.19)
Dividend income	(0.30)	(3.29)
Operating profits before working capital changes	1,703.62	1,501.94
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	351.13	(916.22)
Trade receivables	248.02	83.10
Loans and advances/Current assets	147.11	(397.40)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables/Other current liabilities/Provisions	(17.98)	308.76
Cash Generated from Operations	2,431.91	580.19
Net income tax (paid) / refunds	(271.86)	(252.08)
Net cash flow from / (used in) operating activities (A)	2,160.05	328.11
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, including capital advances	(518.36)	(392.59)
Proceeds from sale of fixed assets	2.57	2.87
Bank deposits not considered as cash equivalents	30.50	28.57
Purchase of investments - Others	(1,428.57)	-
Proceeds from sale of investments - Others	306.67	0.06
Dividend received - Others	0.30	3.29
Interest received - Bank deposits	7.62	6.76
Net cash flow from / (used in) investing activities (B)	(1,599.29)	(351.04)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayment) of long term borrowings and finance lease liabilities	(434.10)	222.49
Net increase/(decrease) of working capital borrowings	503.13	190.13
Payment towards Buy back of shares including related expenses	(402.69)	-
Dividend Paid	-	(57.81)
Finance costs	(144.56)	(118.53)
Net cash flow from / (used in) financing activities (C)	(478.23)	236.28
Net increase / (decrease) in Cash and bank balances (A+B+C)	82.53	213.35
Cash and bank balances at the beginning of the year	519.08	307.25
Effect of exchange differences on restatement of foreign currency Cash and bank balances	0.03	(1.52)
Cash and bank balances at the end of the year	601.64	519.08
Cash and bank balances at the end of the year comprises of		
(a) Cash on hand	80.21	36.62
(b) Balances with banks		
in current account	213.39	454.34
in deposit account	308.03	-
in EEFC account	0.01	28.12
	601.64	519.08

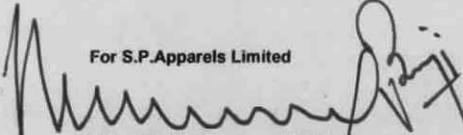
See accompanying notes to the Financial Results

Notes:

1. The disclosure is an extract of audited consolidated statement of cashflows for the year ended March 31, 2023 and audited consolidated statement of cashflows for the year ended March 31, 2022 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 May 16, 2023



For S.P.Apparels Limited


 P. Sundararajan
 Managing Director
 DIN : 00003380


 V. Balaji
 Chief Financial Officer

Place : Avinashi
Date : May 16, 2023





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

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 Standalone audited financial results of the Company for the period ended on 31st March 2023.

Request you to take the same on your record.

For S.P. Apparels Limited

K. Vinodhini
Company Secretary and Compliance Officer



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Annexure – B

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 Consolidated audited financial results of the Company for the period ended on 31st March 2023.

Request you to take the same on your record.

For S.P. Apparels Limited

K. Vinodhini
Company Secretary and Compliance Officer