



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



02nd September 2020

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

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

Scrip Code: 540048

Symbol: SPAL

Dear Sirs,

Sub: Outcome of the Board Meeting

Ref: Our Notice dated 25.08.2020.

Further to our Notice under reference, we wish to inform you that the Board of Directors of the Company at their Meeting held on 02nd September, 2020, inter-alia, considered and approved the following items:

- 1. Financial Results:** Approved the unaudited financial results of the Company for the quarter ended 30th June, 2020, both Standalone & Consolidated along with Limited Review Report.
- 2. Date of AGM:** The Board has fixed 28.09.2020 as the Date of 15th Annual General Meeting.
- 3. Cut-off Date:** The Board has fixed 21.09.2020 as record date to determine eligibility of shareholder to attend and vote at 15th Annual General Meeting.
- 4. Appointment of Independent Directors:** The Board has appointed Mr.C.R.Rajagopal (DIN:08853688) and Ms.H.Lakshmi Priya (DIN:08858643) as an Independent Director.
- 5. Comment of Board on NSE SOP Notice:** With reference to your letter NSE/LIST-SOP/CG/FINES/101661 dated 20th August 2020 the Non-compliance to appoint a women independent director and subsequent action taken by the Exchange is placed before the Board of Directors, the Board briefly discussed the observed Non Compliance and also ensured that Company is now complied with the appointment of a Women Independent Director, Ms.H.Lakshmi Priya (DIN:08858643). Further the Board also discussed about the circumstances of non-compliances and decided to file a waiver detailing the incident in complete manner.





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The Board Meeting Commenced at 04.00 P.M and Concluded at 06.45 P.M.

Kindly take the above on your record.

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Thanking you,

For S.P.Apparels Limited,

K. Vinodhini
Company Secretary and Compliance Officer

Encl: As above

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

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

1. We have reviewed the accompanying Statement of Unaudited Financial Results (Consolidated) of S. P. Apparels Limited ('the Holding Company') and its subsidiaries (the Holding company and its subsidiaries together referred to as 'the Group') for the quarter end June 30, 2020, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations 2015'), which has been initialed by us for identification purposes.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS - 34), as prescribed under Section 133 of Companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.
4. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might have been identified in an audit. Accordingly, we do not express an audit opinion.
5. The Statement includes the results of the following entities:
 - a. S P Apparels Limited (Holding Company)
 - b. Crocodile Products Private Limited (Holds 70%)
 - c. S P Apparels (UK) (P) Limited (Wholly owned subsidiary).
6. Attention is drawn to the fact that the figures for the 3 months ended March 31, 2020 as reported in these financial results are the balancing figure between audited figures in respect of full previous financial year and the published year to date figures upto the third quarter of the previous financial year. The figures upto the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.



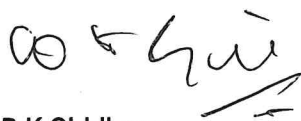
7. The consolidated financial results includes the interim financial results of two subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs 90.09 million for the quarter ended June 30, 2020 and Total Comprehensive Income/ (Loss) of Rs (3.30) million for the quarter ended June 30, 2020 as considered in the consolidated financial results of two subsidiaries which have not been reviewed by their auditors.

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

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006



D K Giridharan

Partner

Membership No: 028738

UDIN: 20028738AAAABL7926



Place: Chennai

Date: September 2, 2020

S.P. Apparels Limited

CIN: L18107T2005PLC012295

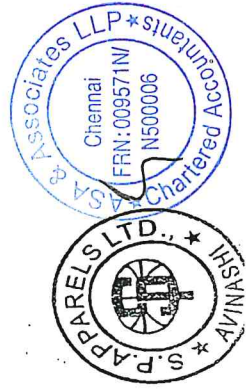
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Tel : +91-4298-714000, Fax : +91-4298-714280, 714281 E-mail: cs@office@s-p-apparels.com, Website: www.sppapparels.com

Unaudited Consolidated Financial Results for the quarter ended June 30, 2020

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

Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2019		(Rupees in millions except EPS and unless otherwise stated)			
Particulars	S.No	Quarter ended June 30, 2020 [Unaudited] Rs In Millions	Quarter ended March 31, 2020 [Audited] Rs In Millions	Quarter ended June 30, 2019 [Unaudited] Rs In Millions	For the year ended March 31, 2020 [Audited] Rs In Millions
Revenue from operations	1	612.46	1,683.67	2,176.05	8,089.66
Other Income	2	3.82	11.58	80.68	237.07
Total Income (3 = 1+2)		616.28	1,695.23	2,256.73	8,326.73
Expenses					
Cost of materials and services consumed	4	220.07	405.20	727.03	2,407.81
Purchases of Stock-in-Trade - Traded goods	5	96.70	235.89	227.00	984.27
Changes in inventories of finished goods, stock-in-trade and work-in-progress - (Increase)/Decrease	6	(111.51)	116.04	-23.56	174.90
Employee benefits expense	7	207.26	757.13	930.47	3,566.98
Finance costs	8	174.70	443.82	548.07	1,961.37
Depreciation and amortisation expense	9	47.86	54.23	58.59	227.81
Other expenses	10	81.23	83.40	63.58	299.34
Total Expenses (11 = 4 to 10)		163.45	305.03	548.98	1,729.83
Profit/(Loss) before exceptional items and tax (12 = 3 less 11)		674.50	1,643.61	2,147.69	7,785.33
Exceptional items	13	(58.22)	51.62	109.04	544.40
Net Profit/(Loss) for the period before tax (14 = 12 less 13)		(58.22)	51.62	109.04	444.09
Tax expense:					
(a) Current tax expense		-	12.51	37.09	105.55
(b) Short/(Excess) provision for tax relating to prior years		-	1.73	(7.55)	(7.55)
(c) Deferred Tax		-	9.29	(1.36)	(123.10)
Tax expense (15 = a+b+c)		-	23.53	35.73	(25.10)
Net Profit/(Loss) for the period after tax (16 = 14 less 15)		(58.22)	28.09	73.31	469.19
Other Comprehensive Income for the period					
A (i) Items that will not be reclassified to Profit or Loss		-	2.04	1.67	5.75
Actuarial gain/(loss) on defined benefit plans		-	(0.52)	(0.56)	(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		-	-	-	-
The effective portion of gain/(loss) on hedging instruments in a cash flow hedge		-	-	-	-
Translation difference		33.76	(20.24)	18.99	(105.37)
(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-	-	-
Total Other Comprehensive Income (net of taxes) (17)		33.76	5.09	(6.63)	26.52
Minority Interest (18)		0.00	1.97	(0.43)	0.37
Total Comprehensive Income/(loss) for the period after tax (19 = 16 plus 17 plus 18)		(24.46)	16.43	66.33	395.01
Paid-up equity share capital (face value Rs. 10/-) [Amount]		256,926,000	256,926,000	256,926,000	256,926,000
Earning Per Share (Rs.) - Basic and Diluted [Net Profit/(loss) for the period after tax/Weighted average number of equity shares]		(2.27)	1.09	2.65	18.26



See accompanying notes to the Financial Results

Notes:

1. The above unaudited consolidated financial results for the quarter and year ended June 30, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on September 02, 2020.
2. This statement has been prepared in accordance with the recognition principle laid down in Indian Accounting Standards 34 "Interim Financial Reporting" (IND AS 34), prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies.
3. Based on the internal reporting provided to the Chief of Decision Maker, the business of Garment sales is only the reportable segment of the Company.
4. Effective 01.04.2019, the Company has adopted Ind AS 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, 2020 is the balancing figures between Consolidated audited figures of the full financial year ended March 31, 2020 and the published unaudited year to date figures up to the third quarter of the previous financial years were subjected to limited review.
7. Exceptional item relates to Merchandise Export from India Scheme (MEIS) export incentive accounted as income in earlier quarters which was derecognized in the Quarter ended December 31, 2019 in order give effect to Notification dated January 14, 2020 of Ministry of Textiles withdrawing MEIS retrospectively from March 07, 2019.
8. As per interim directions given by Supreme court in relation to WRIT PETITION (C) DIARY No. 10983 OF 2020 dated June 12, 2020, Company has negotiated & entered into settlement with the employees for non-payment of salary during factory lockdown period from April 1, 2020 to May 11, 2020. The Company have communicated their steps to the employees and there have been no denial from employees.
9. In March 2020, the World Health Organisation declared Covid -19 to be a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. In view of the pandemic, the Company has considered internal and external information and has performed an analysis based on current estimates while assessing the recoverability of assets including trade receivables, inventory and other current / non current assets (net of provisions established) for any possible impact on the consolidated financial results. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc., and is of the view that based on its present assessment, the carrying amount of the assets will be recovered and no material adjustments is required in the preparation of consolidated financial results. The Management believes that the Company will not have any challenge in meeting its financial obligations for the financial year 2020-21. In this regard, the Company will continue to closely monitor any material changes to future economic conditions
10. Previous period figures have been regrouped / reclassified, wherever necessary, to conform to the current period classification / presentation.

For S.P.Apparels Limited

P.Sunderarajan

Managing Director
DIN : 00003380

Place : Chennai

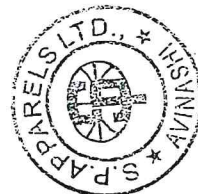
Date : September 02, 2020

V.Baleji

Chief Financial Officer

Place : Avinashi

Date : September 02, 2020



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

To

The Board of Directors of SP Apparels Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **SP Apparels Limited** ("the Company") for the quarter ended 30th June, 2020 ("the Statement"). The Statement has been prepared by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, which has been initialed by us for identification purposes only.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS - 34), as prescribed under Section 133 of Companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might have been identified in an audit. Accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the 3 months ended March 31, 2020 as reported in these financial results are the balancing figure between audited figures in respect of full previous financial year and the published year to date figures upto the third quarter of the previous financial year. The figures upto the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.



5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For ASA & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 009571N/N500006



DK Giridharan

Partner

Membership No.: 028738

UDIN: 20028738AAAABK7047

Place: Chennai

Date: September 2, 2020

S.P. Apparels Limited

CIN: L18101TZ003PLC012395

Regd. Office: 39 - A, Extension Street, Kalkatipudur, Avinashi - 641 654, Tirupur, Tamilnadu

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

Unaudited Standalone Financial Results for the quarter ended June 30, 2020

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

Statement of Unaudited Financial Results for the quarter ended June 30, 2020		Quarter ended June 30, 2020	Quarter ended March 31, 2020	Quarter ended June 30, 2019	For the year ended March 31, 2020
Particulars	S.No	Rs In Millions [Unaudited]	Rs In Millions [Audited]	Rs In Millions [Unaudited]	Rs In Millions [Audited]
Income					
Revenue from operations	1	523.31	1,566.10	2,050.23	7,583.10
Other Income	2	2.88	14.78	80.68	238.08
Total Income (3 = 1+2)		526.19	1,580.88	2,130.91	7,821.18
Expenses					
Cost of materials and services consumed	4	220.07	405.20	727.03	2,407.81
Purchases of Stock-in-Trade - Traded goods	5	13.64	130.94	111.88	522.87
Changes in Inventories of finished goods, stock-in-trade and work-in-progress - (Increase)/Decrease	6	(113.28)	117.73	(23.56)	176.59
Employee benefits expense					
Finance costs	7	120.43	653.87	815.35	3,107.27
Depreciation and amortisation expense	8	173.60	440.48	545.71	1,950.16
Other expenses	9	43.82	53.15	55.89	224.21
Total Expenses (11 = 4 to 10)	10	85.47	87.61	87.80	316.32
Profit/(Loss) before exceptional items and tax (12 = 3 less 11)		162.08	298.31	545.10	1,716.78
Exceptional items		585.38	1,533.42	2,029.65	7,314.72
Net Profit/(Loss) for the period before tax (14 = 12 less 13)	13	(59.19)	47.46	101.06	506.46
Tax expense:					
(a) Current tax expense		-	11.95	36.68	102.98
(b) Short/(Excess) provision for tax relating to prior years		-	1.73	-	(7.55)
(c) Deferred Tax		-	5.84	(1.36)	(126.55)
Total tax expense (15 = a+b+c)		-	19.52	35.32	(31.12)
Net Profit/(Loss) for the period after tax (16 = 14 less 15)		(59.19)	27.94	65.74	440.27
Other Comprehensive Income for the period					
A (i) Items that will not be reclassified to Profit or Loss		-	2.04	1.67	5.75
Actuarial gain/(loss) on defined benefit plans		-	(0.52)	(0.56)	(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					
The effective portion of gain/(loss) on hedging instruments in a cash flow hedge		33.76	(20.24)	18.99	(105.37)
Translation difference		-	5.09	(6.63)	26.52
(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	(13.63)	13.45	(74.55)
Total Other Comprehensive Income (net of taxes) (17)		33.76	(13.63)	13.45	(74.55)
Total Comprehensive Income/(loss) for the period after tax (18 = 16 plus 17)		(25.43)	14.31	79.19	365.72
Paid-up equity share capital (face value Rs. 10/-) [Amount]		256,926,000	256,926,000	256,926,000	256,926,000
Earning Per Share (Rs.) - Basic and Diluted [Net Profit/(loss) for the period after tax/Weighted average number of equity shares]		(2.30)	1.09	2.56	17.14

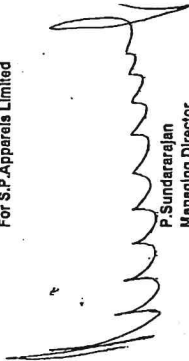


See accompanying notes to the Financial Results

Notes:

1. The above unaudited standalone financial results for the quarter and year ended June 30, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on September 02, 2020.
2. This statement has been prepared in accordance with the recognition principle laid down in Indian Accounting Standards 34 "Interim Financial Reporting" [IND AS 34], prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies.
3. Based on the internal reporting provided to the Chief of Decision Maker, the business of Garment sales is only the reportable segment of the Company.
4. Effective 01.04.2019, the Company has adopted Ind AS 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.
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10. Previous period figures have been regrouped / reclassified, wherever necessary, to conform to the current period classification / presentation.

For S.P. Apparels Limited



P. Sundararajan
Managing Director
DIN : 00003380



V. Balaji
Chief Financial Officer

Place : Chennai

Date : September 02, 2020

Place : Avinashi

Date : September 02, 2020

