

Sarla Performance Fibers Ltd.

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info@sarlafibers.com

CIN : L31909DN1993PLC000056



www.sarlafibers.com

11<sup>th</sup> February, 2021

SPFL / 2020-21

**BSE Limited**

Corporate Relationship Department

1<sup>st</sup> Floor, New Trading Ring,

Phiroze Jeejeebhoy Towers, Dalal Street,

Fort, Mumbai - 400001

Fax No.: 2272 3121 / 2272 2037

Security Code: 526885

**National Stock Exchange of India Limited**

Exchange Plaza, 5<sup>th</sup> Floor,

Bandra Kurla Complex,

Bandra (East),

Mumbai - 400051

Fax No.: 2659 8348 / 2659 8237

Symbol: SARLAPOLY

**Subject: Outcome of Board Meeting of Sarla Performance Fibers Limited**

Dear Sir / Madam,

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the Statement of Unaudited Financial Results on Standalone and Consolidated basis for the third quarter ended 31<sup>st</sup> December, 2020 duly reviewed by the Audit Committee and approved by the Board of Directors of the Company, at its meeting held today.

The proceedings of the meeting of the Board commenced at 12:00 p.m. and concluded at 02:30 p.m.

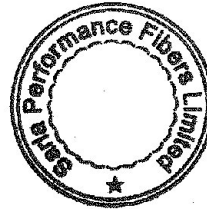
We also enclose a Copy of Limited Review Report of the Auditors of the Company on the unaudited Financial Results (Consolidated and Standalone) of the Company for the third quarter ended on 31<sup>st</sup> December, 2020 as required under Regulation 33 of the Listing Regulations.

Kindly display the same on the website of the Exchange for the information of the general public as well as members of the Stock Exchange.

For Sarla Performance Fibers Limited

**Mahendra Sheth**

**Chief Financial Officer and Company Secretary**



Encl.: As above

Regd. Off. & Works 1:

Survey No. 59/1/4.

Amli Piparia Industrial Estate,

Silvassa - 396 230,

U.T. Dadra & Nagar Haveli

Works 2:

Survey No. 64/2/3/4,61/1,61/2,62/5,63/5,63/7,

Amli Piparia Industrial Estate,

Silvassa - 396 230,

U.T. Dadra & Nagar Haveli

Vapi Works:

Shed No. A1/48,

100 Sheds Area,

GIDC, Vapi - 396 195

(Gujarat)

Works 3 :

Survey No. 213/P,

Plot No. 11 & 12,

Dadra - 396 191,

U.T. Dadra & Nagar Haveli.

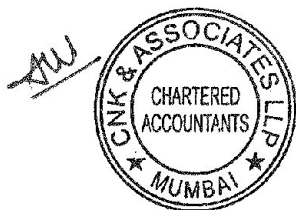
**Independent Auditor's Review Report on the Quarterly and Year to date Unaudited  
Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To**

**The Board of Directors**

**Sarla Performance Fibers Limited**

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of Sarla Performance Fibers Limited ("the Company") for the quarter and nine months ended on 31<sup>st</sup> December, 2020 (the "Statement") together with the notes thereon attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), ('Listing Regulations').
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's 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'), prescribed under Section 133 of the Companies Act, 2013 ('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. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



4. Basis for Qualified opinion:

As on 31<sup>st</sup> December, 2020, the Company has an exposure to its Wholly Owned Subsidiary 'Sarlaflex, Inc.' of Rs.8,662 lakhs towards investments in equity, preference shares and unsecured loans. The Company also has indirect exposure in Sarlaflex, Inc. by way of unsecured loans amounting to Rs. 6,651 lakhs through its wholly owned subsidiary, Sarla Overseas Holdings Limited.

Sarlaflex, Inc. has suspended manufacturing operations since December, 2017 and has a negative net worth as on 31<sup>st</sup> December, 2020. These conditions raise substantial doubt about its ability to continue as a going concern.

In the absence of any impairment testing by management during the period, we are unable to comment on the impact of the said impairment, if any, on standalone financial results.

Our report for the previous quarter was also qualified on above matters.

5. Based on our review conducted as above, except for the possible effect of the matters described in the paragraph 4 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 aforesaid Indian Accounting Standards ('Ind AS'), prescribed under Section 133 of the Act read with relevant rules issued thereunder and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W-100036



Himanshu Kishnadwala

Partner

Membership No. 37391

UDIN: 21037391AAAAAZ2614



Place: Mumbai

Date: 11<sup>th</sup> February, 2021

**Independent Auditor's Review Report on the Quarterly and year to date Unaudited Consolidated financial results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To

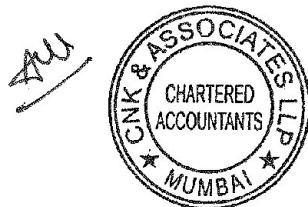
The Board of Directors

**Sarla Performance Fibers Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Sarla Performance Fibers Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter and nine months ended on 31<sup>st</sup> December, 2020 ("the statement"), together with the notes thereon attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), ('Listing Regulations').
2. This Statement which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, ('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. Our responsibility is to issue conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Holding Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI Listing Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the subsidiaries as mentioned in Annexure to the Report.





5. Basis for Qualified opinion:

Sarlaflex, Inc., the wholly owned subsidiary having total assets of Rs. 5,845 lakhs has suspended manufacturing operations since December, 2017 and has a negative net worth as on 31<sup>st</sup> December, 2020. These conditions raise substantial doubt about its ability to continue as a going concern.

In the absence of any impairment testing by management for these assets during the year, we are unable to comment on the impact of the said impairment, if any, on consolidated financial results.

Our report for previous quarter was also qualified for the same.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above except for the possible effect of the matter described in the paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Act read with relevant rules issued there under and other recognized accounting practices and policies, 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.

7. Emphasis of Matter:

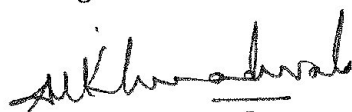
The investment made by the wholly owned subsidiary of the group M/s. Sarla Overseas Holdings Limited (SOHL) in three Joint Ventures are not consolidated on account of non-resolution of disputes, or non-receipt of financial statements for the period ended 31<sup>st</sup> December, 2020. Though these investments have been tested for impairment and necessary provisions have been made in FY 2017-18 on transition to Ind AS, we are unable to comment about impact of the same on the Consolidated financial results.

Our report is not modified in respect of this matter.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W-100036



Himanshu Kishnadwala

Partner

Membership No. 37391

UDIN: 21037391AAAABA6925



Mumbai

Date: 11<sup>th</sup> February, 2021

**Annexure to the Limited Review Report:**

**Subsidiaries (held directly)**

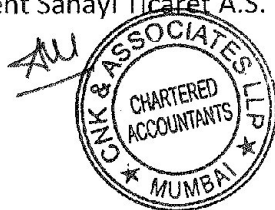
- a. Sarla Overseas Holding Limited
- b. Sarlaflex Inc

**Subsidiaries (held indirectly)**

- a. Sarla Europe, Lda
- b. Sarlaflex LLC
- c. Sarla Estate LLC
- d. Sarla Leverage Lender LLC

**Joint Ventures (held indirectly)**

- a. Savitex SA De C. V. Honduras;
- b. MRK SA De C. V. Honduras;
- c. Sarla Tekstil Filament Sanayi Ticaret A.S.



## SARLA PERFORMANCE FIBERS LTD

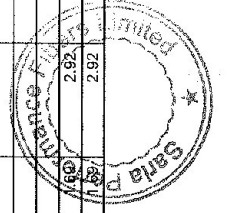
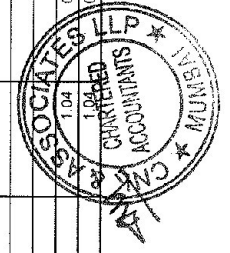
CIN : L31909DN1993PLC000056

Regd. Office :- Survey No. 59/1/4, Anil Piparia Industrial Estate, Silvassa - 396 230 (U.T. of Dadra &amp; Nagar Haveli)

Tel. 0260-3250467, Fax : 0260-2631356, E-mail : silvassa@sarlafibers.com, Website : www.sarlafibers.com

## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER &amp; PERIOD ENDED 31ST DECEMBER 2020

	PARTICULARS	STANDALONE						CONSOLIDATED						(Rs. in lakhs except EPS)	
		Quarter Ended		Year to Date		Year Ended		Quarter Ended		Year to Date		Year Ended		31-Mar-20	31-Mar-20
		31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20	31-Mar-19	30-Sep-20	30-Sep-19	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19		
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	AUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED		AUDITED
	<b>Income</b>														
1	Revenue From Operations	7,695	5,941	16,237	23,133	29,832	8,037	6,111	8,010	16,643	23,964	31,094			
2	Other Income	302	324	865	1,383	1,804	303	303	436	1,218	1,733	1,754			
3	<b>Total Income (1+2)</b>	<b>7,997</b>	<b>6,265</b>	<b>17,102</b>	<b>24,516</b>	<b>31,636</b>	<b>8,340</b>	<b>6,686</b>	<b>8,446</b>	<b>17,861</b>	<b>25,197</b>	<b>32,848</b>			
4	<b>Expenses:</b>														
a)	Cost of raw material consumed	3,607	2,220	6,865	11,313	14,333	3,659	2,172	3,842	6,873	11,363	14,379			
b)	Purchases of Stock-in-trade	(174)	272	(511)	(519)	(470)	33	435	(517)	(94)	(274)	(54)			
c)	Changes in inventories of finished goods, work in progress and stock in trade														
d)	Employee benefit expenses	264	278	355	1,017	1,345	294	304	392	919	1,122	1,494			
e)	Finance costs	157	225	169	558	963	157	240	215	589	589	1,058			
f)	Depreciation and amortisation expense	438	447	435	1,322	1,767	634	644	625	1,917	1,838	2,520			
g)	Other expenses	2,618	2,010	3,053	5,770	7,763	10,010	1,993	1,993	5,803	7,896	10,294			
	<b>Total expenses (a to g)</b>	<b>6,910</b>	<b>5,452</b>	<b>15,093</b>	<b>21,361</b>	<b>27,949</b>	<b>7,426</b>	<b>5,788</b>	<b>7,641</b>	<b>16,007</b>	<b>22,534</b>	<b>29,691</b>			
5	<b>Profit before Tax (3-4)</b>	<b>1,087</b>	<b>813</b>	<b>2,009</b>	<b>3,155</b>	<b>3,687</b>	<b>914</b>	<b>897</b>	<b>805</b>	<b>1,854</b>	<b>2,663</b>	<b>3,157</b>			
6	Tax Expenses - Current Tax	377	237	619	852	1,031	377	237	156	619	852	1,046			
	- Deferred Tax	(154)	(71)	(207)	(650)	(799)	(154)	(71)	(799)	(207)	(651)	(799)			
7	<b>Profit after tax (5-6)</b>	<b>864</b>	<b>647</b>	<b>1,597</b>	<b>2,953</b>	<b>3,455</b>	<b>691</b>	<b>731</b>	<b>612</b>	<b>1,442</b>	<b>2,462</b>	<b>2,910</b>			
8	<b>Other Comprehensive Income</b>														
a)	(i) Items that will not be reclassified to profit or loss	5	5	16	(11)	21	5	5	(4)	16	(11)	21			
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(2)	(2)	(5)	3	(6)	(2)	(2)	1	(5)	3	(6)			
b)	(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-			
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-			
	<b>Total Other Comprehensive Income</b>	<b>3</b>	<b>3</b>	<b>11</b>	<b>(8)</b>	<b>15</b>	<b>7</b>	<b>(89)</b>	<b>(68)</b>	<b>(115)</b>	<b>(158)</b>	<b>127</b>			
9	<b>Total Comprehensive Income (7+8)</b>	<b>867</b>	<b>650</b>	<b>1,608</b>	<b>2,945</b>	<b>3,470</b>	<b>698</b>	<b>642</b>	<b>544</b>	<b>1,328</b>	<b>2,304</b>	<b>3,037</b>			
10	<b>Profit attributable to:</b>														
	Owners of the company	864	647	1,587	2,953	3,455	682	714	607	1,415	2,440	2,931			
	Non controlling Interest	-	-	-	-	-	10	17	7	27	22	(21)			
11	<b>Other Comprehensive Income attributable to</b>														
	Owners of the company	4	3	11	(8)	15	(44)	(91)	(69)	(115)	(159)	124			
	Non controlling Interest	-	-	-	-	-	(1)	2	1	1	1	3			
12	<b>Total Comprehensive Income attributable to</b>														
	Owners of the company	868	649	1,608	2,945	3,470	638	623	538	1,300	2,281	3,055			
	Non controlling Interest	-	-	-	-	-	9	19	8	28	23	(18)			
13	<b>Paid-Up Equity Share Capital</b>														
	(Face Value Of Share - Re.1/- Each)	835	835	835	835	835	835	835	835	835	835	835			
14	<b>Reserves excluding Revaluation Reserves (as per balance sheet)</b>														
		-	-	-	-	34,374	-	-	-	-	-	30,985			
15	<b>Earnings Per Share (EPS)</b>														
	Basic (in Rs)	1.04	0.77	1.91	3.54	4.14	0.82	0.85	0.73	1.60	2.92	3.51			
	Diluted (in Rs)	1.04	0.77	1.91	3.54	4.14	0.82	0.85	0.73	1.60	2.92	3.51			



**NOTES :**

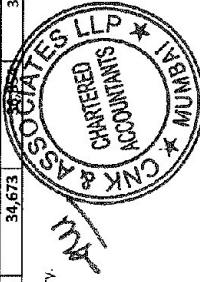
1. The auditors have in their report on the standalone and consolidated results, modified their opinion in respect of not testing for impairment of investments/assets of the company's Wholly owned Subsidiary Sarlaflex, Inc. The management is exploring all the options to resolve the matter and hopeful in coming months the decision would be made.
2. The Audit Committee has reviewed these results and the Board of Directors have approved the above results at their meeting held on 11th February, 2021.
3. The company has analysed all the parameters associated with the risk due to Covid-19 and has assessed that covid-19 and the business changes thereafter will have no material impact on the going concern of the company.
4. The company's business activity falls under two business segment- Yarn and Wind Power is as under:

Particulars	STANDALONE						CONSOLIDATED					
	Quarter Ended		Period Ended		Year Ended		Quarter Ended		Period Ended		Year Ended	
	31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20	31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
<b>1. Segment Revenues (Net)</b>	<b>UNAUDITED</b>	<b>UNAUDITED</b>	<b>UNAUDITED</b>	<b>UNAUDITED</b>	<b>UNAUDITED</b>	<b>AUDITED</b>	<b>UNAUDITED</b>	<b>UNAUDITED</b>	<b>UNAUDITED</b>	<b>UNAUDITED</b>	<b>UNAUDITED</b>	<b>AUDITED</b>
(a). YARN	7,645	5,753	7,561	15,827	22,474	29,081	7,987	5,923	7,898	16,233	23,305	30,344
(b). WIND POWER	57	220	130	459	746	858	57	220	130	459	746	858
Less: Intersegment	7	32	19	49	87	107	7	32	19	49	87	107
<b>Net Sales/Income From Operations</b>	<b>7,695</b>	<b>5,941</b>	<b>7,672</b>	<b>16,237</b>	<b>23,133</b>	<b>29,832</b>	<b>8,037</b>	<b>6,111</b>	<b>8,010</b>	<b>16,643</b>	<b>23,964</b>	<b>31,095</b>
<b>2. Segment Results</b>												
(a). YARN	1,662	1,441	1,261	3,463	4,553	5,943	1,488	1,540	1,384	3,339	4,139	5,509
(b). WIND POWER	(53)	21	73	41	410	430	(53)	21	73	41	410	430
Less: Finance cost (Unallocable)	157	225	169	558	511	963	157	240	215	589	589	1,058
Less: Admin cost (Unallocable)	365	424	437	937	1,297	1,722	365	424	437	937	1,297	1,722
<b>Total Profit Before Tax</b>	<b>1,087</b>	<b>813</b>	<b>728</b>	<b>2,009</b>	<b>3,155</b>	<b>3,687</b>	<b>914</b>	<b>887</b>	<b>805</b>	<b>1,854</b>	<b>2,663</b>	<b>3,159</b>
<b>3. Segment Assets</b>												
(a). YARN	47,665	45,778	50,018	47,665	50,018	49,264	44,392	52,967	57,167	44,392	57,167	56,214
(b). WIND POWER	8,248	8,311	8,172	8,248	8,172	8,034	8,248	8,311	8,172	8,248	8,172	8,034
(c). UNALLOCATED	1,626	1,594	1,599	1,626	1,599	1,605	1,626	1,594	1,599	1,626	1,599	1,605
<b>Total</b>	<b>57,539</b>	<b>55,684</b>	<b>59,789</b>	<b>57,539</b>	<b>59,789</b>	<b>58,903</b>	<b>54,266</b>	<b>62,872</b>	<b>66,938</b>	<b>54,266</b>	<b>66,938</b>	<b>65,853</b>
<b>4. Segment Liabilities</b>												
(a). YARN	16,889	15,849	21,276	16,889	21,276	19,858	17,278	27,145	32,557	17,278	32,557	30,190
(b). WIND POWER	3,796	3,850	3,840	3,796	3,840	3,836	3,796	3,850	3,840	3,796	3,840	3,836
(c). UNALLOCATED	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>20,685</b>	<b>19,699</b>	<b>25,116</b>	<b>20,685</b>	<b>25,116</b>	<b>23,694</b>	<b>21,074</b>	<b>30,995</b>	<b>36,397</b>	<b>21,074</b>	<b>36,397</b>	<b>34,026</b>
<b>5. Capital Employed</b>												
(a). YARN	30,776	29,930	28,741	30,776	28,741	29,406	27,114	25,823	24,609	27,114	24,609	26,024
(b). WIND POWER	4,452	4,461	4,333	4,452	4,333	4,198	4,452	4,460	4,333	4,452	4,333	4,198
(c). UNALLOCATED	1,626	1,594	1,599	1,626	1,599	1,605	1,626	1,594	1,599	1,626	1,599	1,605
<b>Total</b>	<b>36,854</b>	<b>35,985</b>	<b>34,673</b>	<b>36,854</b>	<b>34,673</b>	<b>35,209</b>	<b>33,192</b>	<b>31,877</b>	<b>30,541</b>	<b>33,192</b>	<b>30,541</b>	<b>31,827</b>

5. Figures relating to corresponding period of the previous year have been regrouped wherever necessary.

For Sarla Performance Fibers Limited

*Krishna M. Jhunjhunwala*  
 Krishna M. Jhunjhunwala  
 Director (DIN: 00097175)  
 Place : Mumbai.  
 Dated : 11th February 2021



**SARLA PERFORMANCE FIBERS LTD**

CIN : L31909DN1993PLC000056

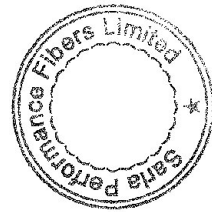
Regd. Office :- Survey No. 59/1/4, Amli Piparia Industrial Estate, Silvassa - 396 230 (U.T. of Dadra & Nagar Haveli)  
Tel. 0260-3290467, Fax : 0260-2631356, E-mail : Silvassa@sarlafibers.com, Website : www.sarlafibers.com

**Statement of unaudited Financial Results for quarter & period ended December 31, 2020**

Sr No.	Particulars	Standalone				Consolidated				(Rs in lakhs)			
		Quarter ended Unaudited 31-Dec-2020	Quarter ended Unaudited 30-Sep-2020	Quarter ended Unaudited 31-Dec-2019	Period ended Unaudited 31-Dec-2020	Year ended Audited 31-Mar-2020	Quarter ended Unaudited 31-Dec-2020	Quarter ended Unaudited 30-Sep-2020	Quarter ended Unaudited 31-Dec-2019		Period ended Unaudited 31-Dec-2020	Period ended Unaudited 31-Dec-2019	Year ended Audited 31-Mar-2020
1	Total Income From Operations	7,997	6,265	8,015	17,102	24,516	31,636	8,340	6,686	8,445	17,861	25,197	32,848
2	Net Profit for the period (before tax, exceptional and/or extraordinary item)	1,087	813	728	2,009	3,155	3,687	914	897	805	1,854	2,663	3,157
3	Net Profit for the period before tax (after exceptional and/or extraordinary item)	1,087	813	728	2,009	3,155	3,687	914	897	805	1,854	2,663	3,157
4	Net Profit for the period after tax (after exception and/or extraordinary item)	864	647	535	1,597	2,953	3,455	691	731	612	1,442	2,462	2,910
5	Total Comprehensive Income for the period (Comprising profit / (loss) for the period (after tax) and other comprehensive income (after tax))	867	650	534	1,608	2,945	3,470	698	642	544	1,328	2,304	3,037
6	Equity Share Capital (Face Value of Re. 1/-each)	835	835	835	835	835	835	835	835	835	835	835	835
7	Reserves excluding Revaluation Reserves (as per balance sheet)						34,375				0		30,985
8	Earnings Per Share (Face Value of Re.1 per Share) (Not Annualised) Basic and Diluted (In Rs.)	1.04	0.77	0.64	1.91	3.54	4.14	0.82	0.85	0.73	1.69	2.92	3.51

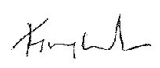
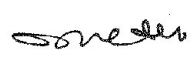

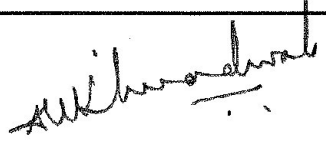
**Notes:**

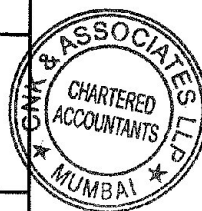
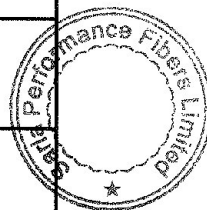
- The company has analysed all the parameters associated with the risk due to Covid-19 and has assessed that covid-19 and the business changes thereafter will have no material impact on the going concern of the company.
- The above is an extract of the financial results for the quarter and period ended 31st December, 2020 which have been reviewed by the Audit Committee and approved by Board of Directors in their meeting held on 11th February, 2021 and filed with the stock exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the aforesaid financial results are available on the website of the Company, Bombay Stock Exchange Limited and National Stock Exchange of India Limited i.e. www.sarlafibers.com, www.bseindia.com and www.nseindia.com

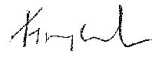
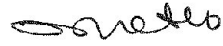

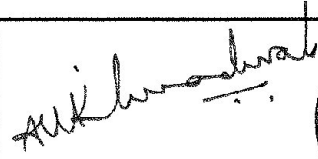


*Krishna M. Jhunjhunwala*  
**Krishna M. Jhunjhunwala**  
Director (DIN: 00097175)

Place: Mumbai  
Dated : 11th February, 2021

Statement on Impact of Audit Qualifications for the Quarter & period ended December 31, 2020 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Reviewed Figures (as reported before adjusting for qualifications)	Adjusted Figures (reviewed figures after adjusting for qualifications)
	1	Turnover / Total income	17,102	17,102
	2	Total Expenditure	15,093	15,093
	3	Net Profit/(Loss)	1,597	1,597
	4	Earnings Per Share	1.91	1.91
	5	Total Assets	57,539	57,539
	6	Total Liabilities	20,685	20,685
	7	Net Worth	36,854	36,854
	8	Any other financial item(s) (as felt appropriate by the management)		
<b>II. Audit Qualification (each audit qualification separately):</b>				
<p>a. Details of Audit Qualification:- As on 31st Dec, 2020, the Company has an exposure to its Wholly Owned Subsidiary 'Sarilaflex, Inc.' of Rs.8,662 lakhs towards investments in equity, preference shares and unsecured loans. The Company also has indirect exposure in Sarilaflex, Inc. by way of unsecured loans amounting to Rs. 6,651 lakhs through its wholly owned subsidiary, Sarla Overseas Holdings Limited. Sarilaflex, Inc. has suspended manufacturing operations since December, 2017 and has a negative net worth as on 31st Dec, 2020. These conditions raise substantial doubt about its ability to continue as a going concern. In the absence of any impairment testing by management during the period, we are unable to comment on the impact of the said impairment, if any, on standalone financial results.</p>				
b. Type of Audit Qualification : Qualified Opinion				
c. Frequency of qualification: Repeat				
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not applicable.				
e. For Audit Qualification(s) where the impact is not quantified by the auditor:				
(i) Management's estimation on the impact of audit qualification:				
(ii) If management is unable to estimate the impact, reasons for the same:- The auditors have in their report on the standalone and consolidated results, modified their opinion in respect of not testing for impairment of investments/assets of the company's Wholly owned Subsidiary Sarilaflex, Inc. The management is exploring all the options to resolve the matter and hopeful in coming months the decision would be made.				
(iii) Auditors' Comments on (i) or (ii) above:- None				
<b>III. Signatories:</b>				
CEO/Managing Director				
CFO				
Audit Committee Chairman				
Statutory Auditor				
Place: Mumbai				
Date: 11th February, 2021				



Statement on Impact of Audit Qualifications for the Quarter & period December 30, 2020 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Reviewed Figures (as reported before adjusting for qualifications)	Adjusted Figures (reviewed figures after adjusting for qualifications)
	1	Turnover / Total income	17,861	17,861
	2	Total Expenditure	16,007	16,007
	3	Net Profit/(Loss)	1,442	1,442
	4	Earnings Per Share	1.69	1.69
	5	Total Assets	54,266	54,266
	6	Total Liabilities	21,074	21,074
	7	Net Worth	33,193	33,193
	8	Any other financial item(s) (as felt appropriate by the management)		
<b>II. Audit Qualification (each audit qualification separately):</b>				
	a. Details of Audit Qualification:- Sarlaflex, Inc., the wholly owned subsidiary having total assets of Rs.5,845 lakhs has suspended manufacturing operations since December, 2017 and has a negative net worth as on 31st Dec, 2020. These conditions raise substantial doubt about its ability to continue as a going concern. In the absence of any impairment testing by management for these assets during the year, we are unable to comment on the impact of the said impairment, if any, on consolidated financial results.			
	b. Type of Audit Qualification : Qualified Opinion			
	c. Frequency of qualification: Repeat			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not applicable			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:			
	(i) Management's estimation on the impact of audit qualification:			
	(ii) If management is unable to estimate the impact, reasons for the same:- The auditors have in their report on the standalone and consolidated results, modified their opinion in respect of not testing for impairment of investments/assets of the company's Wholly owned Subsidiary Sarlaflex, Inc. The management is exploring all the options to resolve the matter and hopeful in coming months the decision would be made.			
	(iii) Auditors' Comments on (i) or (ii) above:- None			
<b>III. Signatories:</b>				
	CEO/Managing Director			
	CFO			
	Audit Committee Chairman			
	Statutory Auditor			
Place: Mumbai				
Date: 11th February, 2021				

