



SPICE ISLANDS APPARELS LTD.

(Govt. Recognised Export House)

Admin. Office: 125-A, Mittal Tower, 12th Floor, 210, Nariman Point, Mumbai 400 021, India
Tel.: +91 (22) 6740 0800, 2282 3128 Fax: +91 (22) 2282 6167 www.spiceislandsindia.com
CIN NO. : L17121MH1988PLC050197

28th July, 2020.

To,

The Secretary,
The Stock Exchange, Mumbai,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.

Security Code

Dear Sir,

Sub: Regulation 33- Submission of Audited Financial Results.

In compliance of the Captioned Clauses, please find herewith a statement giving the Audited Financial results of the Company for the year ended 31st March, 2020. This is for your record.

Thanking you,

For SPICE ISLANDS APPARELS LTD


Umesh Katre
(Chairman)



Encl: a. a.

Regd. Office: Unit No. 3043-3048, 3rd Floor, Bhandup Industrial Estate, Pannalal Silk Mills Compound, L.B.S. Marg,
Bhandup (West), Mumbai - 400 078.

Spice Island Apparels Limited

Regd. Office : Unit 3043-3048, 3Rd Fl, Bhandup Industrial Estate Pannalal Silk Mills Compd, L.B.S. Marg, Bhandup-W, Mumbai-400078
CIN:L17121MH1988PLC050197

Statement of Audited Financial Results For the Quarter and Year Ended March 31, 2020 Prepared in compliance with the Indian Accounting Standards(Ind-AS)

(Rs. in Lakhs)

Particulars	Quarter Ended			Year Ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Audited	Unaudited	Audited	Audited	Audited
1 Income					
Revenue from operations	445.48	314.80	483.90	1,563.70	1,703.44
Other Income	18.87	19.66	10.85	49.77	55.96
Total Income	464.35	334.45	494.75	1613.47	1,759.40
2 Expenses					
Cost of materials consumed	168.62	195.46	301.93	864.83	928.99
Purchase of stock in trade	22.28	19.42	14.36	4.17	(4.11)
Change in inventories of finished goods, stock in trade	51.71	51.89	228.04	258.34	414.06
Employee benefit expenses	6.52	3.57	2.58	18.06	35.90
Finance costs	13.17	7.03	10.99	39.19	47.51
Depreciation and amortisation	207.23	149.78	85.45	716.53	795.35
Other Expenses					
Total Expenses	469.53	427.16	643.35	1,901.12	2,217.70
Profit/(Loss) before exceptional items and Tax	(5.18)	(92.71)	(148.60)	(287.65)	(458.31)
Exceptional Items- Others Gain/(Loss)	(8.77)			(8.77)	
Profit/(Loss) before Tax	(13.94)	(92.71)	(148.60)	(296.42)	(458.31)
Tax Expenses	10.99	2.49	42.06	2.89	67.30
Deferred Taxes asset/(liability)	(2.97)	(90.22)	(106.54)	(293.53)	(391.01)
Profit/(Loss) for the period from Continuing operations					
Other Comprehensive Income (net of income tax)					
A Items that will not be reclassified to profit or loss	(0.20)		(1.76)	(0.20)	(2.00)
B Items that will be reclassified to profit or loss	(0.20)		(1.76)	(0.20)	(2.00)
Total other Comprehensive Income	(3.17)	(90.22)	(108.30)	(293.73)	(393.01)
Total Comprehensive Income for the period					
Paid up Equity Share Capital (Face value ₹ 10 per share)	430.00	430.00	430.00	430.00	430.00
Earnings per share (Equity shares, par value Rs.10/- each)					
Basic	(0.07)	(2.10)	(2.52)	(6.83)	(9.14)
Diluted	(0.07)	(2.10)	(2.52)	(6.83)	(9.14)
(Below notes are integral part of financials)					

Notes to the Statement of Audited Financial results for the quarter and year ended March 31, 2020:

- The results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- The above financial results have been reviewed by the Audit Committee of the board and subsequently approved by the Board Of Directors at its respective meetings held on 28th July, 2020. The results have been reviewed by the Statutory Auditor of the Company.
- Spice Island Apparel Limited (the Company) operates in a single business segments of sale of garments. As such no further disclosures are required.
- The Board has ceased its operations in Bengaluru and has decided to carry out the same from Company's other places of operations. This has been done with intention streamlining costs and revenue. Further, the net loss for the year has come down when compared to the previous year consequent to the cost cutting measures undertaken. The Company has a strong order book for the ensuing financial year. The Company is streamlining its manufacturing process and is also exploring the possibility of market expansion and eventually generate profit. Considering all the efforts undertaken and further efforts in the pipeline, the management is firm about the recoverability of the losses and earning profits in the subsequent years. Accordingly, the financials are prepared under going concern assumption.



5. The Balance for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figure between the audited figures in respect of full financial year and the unaudited published year to date figures up to the third quarter of the relevant financial year which were subject to limited review by the Statutory Auditor of the Company.
6. Previous period figures have been regrouped/rearranged wherever considered necessary to conform to the present presentation.
7. Effective 1st April, 2019, the Company adopted Ind AS 116, 'Leases' and applied the same to lease contracts existing on 1st April, 2019, with Right-of-Use asset recognised at an amount equal to the adjusted lease liability amounting to ₹ 11.37 Lakhs. The effect of adoption of the standard is not material on the results.
8. COVID-19 has caused significant disruptions to businesses across India. The management has considered the possible effects, if any, that may impact the carrying amounts of inventories, receivables and intangibles. In making the assumptions and estimates relating to the uncertainties as at the balance sheet date in relation to the recoverable amounts, the management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date of approval of these financials results.
- The management expects no impairment to the carrying amounts of these assets. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations.

for and on behalf of the board of directors of
Spice Islands Apparels Limited

Vmesh Katre
Chairman
(Din-00196300)



Place : Mumbai
Date : 28th July, 2020

Annexure to Financial - Segment Report as on 31st March 20

	Garment	Finance	Total
Business Segment			
Segment Revenue	16,00,65,746	12,80,722	16,13,46,468
Less: Inter Segment Revenue	-	-	-
Segment Results	(1,26,64,655)	12,80,722	(1,13,83,933)
Less: Extraordinary Items	-	-	-
Unallocated corporate Expenses	-	-	(1,13,83,933)
(Net of unallocable income)	-	-	1,16,57,406
Financial Expenses	-	-	18,06,205
Depreciation	39,18,506	-	39,18,506
Profit Before Tax	-	-	(2,87,66,050)
Less: Provision For Tax	-	-	-
Less: Short Provision for tax of Earlier Years	-	-	-
Less: Provision For Deferred Tax (Net)	-	-	(8,77,216)
Profit After Tax	-	-	(2,96,43,266)
Segment Assets	6,94,16,225	43,80,368	7,37,96,593
Unallocable Assets	-	-	1,00,13,232
Total Assets	-	-	8,38,09,825



Spice Island Apparels Limited

Regd Office: Unit 3043-3048, 3Rd Fl, Bhandup Industrial Estate Pannalal Silk Mills Compd, L.B.S. Marg, Bhandup-W, Mumbai-400078
CIN: L17121MH1988PLC050197

Audited Statement of Assets and Liabilities For the Quarter and Year Ended March 31, 2020 Prepared in compliance with the Indian Accounting Standards (Ind-AS)

Particulars	For the period ended 31 March 2020	For the period ended 31 March 2019
	Audited	Audited
ASSETS		
Non-current assets		
Property, Plant and Equipment	196.39	123.27
Right of Use Asset	11.37	-
Intangible Assets	0.01	0.06
Financial assets		
- Investments	16.97	28.51
- Loans	7.87	15.68
- Other financial assets	-	-
Non-Current Tax Assets	24.95	24.29
Deferred tax assets (Net)	67.42	64.54
Other non-current assets	-	2.70
	324.98	359.05
Current assets		
Inventories	73.12	105.42
Financial assets		
- Investments	2.06	152.89
- Trade receivable	112.46	225.15
- Loans	57.12	123.92
- Cash and Cash equivalents	91.76	75.79
- Other financial assets	3.25	1.92
Current tax assets (Net)	-	-
Other current assets	179.60	112.77
Assets Held for Sale	11.71	13.73
	513.10	831.59
TOTAL	838.08	1190.64
EQUITY & LIABILITIES		
Equity		
Equity share capital	430.00	430.00
Other equity	-134.57	159.18
	295.43	589.18
LIABILITIES		
Non-current liabilities		
Financial liabilities		
- Borrowings	2.04	13.07
- Other financial liabilities	16.11	0.00
Provisions	5.75	0.76
Deferred tax liabilities (Net)	-	-
	23.90	14.73
Current liabilities		
Financial liabilities		
- Borrowings	178.35	306.07
- Trade and Other payables		
(a) Total outstanding dues of creditors in micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	104.07	133.40
- Other financial liabilities	195.22	116.39
Other current liabilities	39.11	25.48
Provisions	1.79	4.99
Current tax liabilities (Net)	-	-
	518.76	586.73
	838.08	1190.64

Notes to the Statement of Audited Financial results for the quarter and year ended March 31, 2020:

- The results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- The above financial results have been reviewed by the Audit Committee of the board and subsequently approved by the Board Of Directors at its respective meeting on 28th July, 2020. The results have been reviewed by the Statutory Auditor of the Company.
- Spice Island Apparel Limited (the Company) operates in a single business segments, of sale of garments. As such no further disclosures are required.

For and on behalf of the board of directors of
Spice Islands Apparels Limited

Umesh Katre
Chairman
Din No: 00196380



Place : Mumbai
Date : 28th July, 2020

SPICE ISLANDS APPARELS LIMITED

CIN : L17121MH1988PLC050197

Unit 3043-3048, 3Rd Fl, Bhandup Industrial Estate Pannalal Silk Mills Compd, L.B.S. Marg, Bhandup-W, Mumbai-400078

Cash Flow Statements for the Year ended 31st March, 2020

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Cash flow from operating activities:		
(Loss) before tax	(2,96,43,266)	(4,58,30,837)
Adjustments:		
- Finance cost	18,06,205	35,90,102
- Interest income	(7,49,729)	(14,89,158)
- Dividend Income	(71,925)	(5,79,858)
- Liabilities no longer required written back	(2,74,639)	(7,52,455)
- Depreciation and amortisation	39,18,506	47,51,239
- (Gain)/Loss on sale of Fixed Asset	(85,475)	4,28,435
- Fair Value Adjustment to Investments	(76,168)	64,52,305
- Impairment of Property, Plant and Equipment	-	3,43,422
- (Gain)/Loss on sale of Investments	9,42,478	(43,936)
- Actuarial gain/ (loss) reclassified to OCI	(53,128)	(3,27,543)
Operating cash flow before working capital changes	(2,42,87,142)	(3,34,58,284)
Changes in		
- Decrease/(Increase) in Inventories	32,30,040	(19,64,189)
- Decrease/(Increase) in Trade receivables	1,12,68,491	3,54,11,568
- Decrease/(Increase) in Financial Assets	24,60,880	56,79,136
- Decrease/(Increase) in Other Non-financial Assets	(24,12,346)	1,04,17,694
- Decrease/(Increase) in Other Assets	-65,937	35,133
- Increase/ (Decrease) in Trade payables	(29,32,864)	(32,55,491)
- Increase/ (Decrease) in Financial liabilities	96,78,725	(55,58,747)
- Increase/ (Decrease) in Other liabilities	11,01,232	8,64,629
- Increase/ (Decrease) in Provisions	(3,96,089)	41,311
Cash (used in)/ generated from operations	(23,55,009)	82,12,760
Income taxes (paid)/ refund	-	-
Net cash generated (used in) operating activities	(23,55,009)	82,12,760
Cash flow from investing activities:		
Purchase of Property, Plant and Equipment	(9,81,730)	(5,38,729)
Purchase of Intangible Assets	-	-
Proceeds from sale of Property, Plant and Equipment	3,48,246	5,29,527
Advance received for sale of Property, Plant and Equipment	6,28,667	6,78,667.00
Purchase of Investments	-	(70,43,164)
Sale Proceeds from Investment	1,54,71,528	96,79,057
Repayment/(Increase) in Deposits with Corporates and others	50,00,000	22,678
Interest Received	6,16,667	14,94,945
Dividend Income	71,925	5,79,858
Net cash (used in) investing activities	2,11,55,304	54,02,838
Cash flow from financing activities:		
Proceeds from / (repayment) of borrowings	(1,52,92,999)	(1,34,94,310)
Interest paid on Borrowings	(18,40,345)	(35,94,802)
Dividend paid on Equity Shares (previous year's)	(69,618)	(72,657)
Tax on Equity Dividend paid	-	-
Net cash generated from financing activities	(1,72,02,963)	(1,71,61,769)
Net (decrease)/ increase in cash and cash equivalents	15,97,332	(35,46,171)
Cash and cash equivalents at the beginning of the year	75,78,566	1,11,24,738
Cash and cash equivalents at the end of the year	91,75,898	75,78,567
Cash and cash equivalents comprise of:		
Cash on hand	4,00,432	5,65,022
Balances with banks		
- in current accounts	81,25,800	62,94,261
- in unpaid dividend accounts	6,49,666	7,19,284
	91,75,898	75,78,566



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CIN NO. : L17121MH1988PLC050197

28th July, 2020.

To,

The Secretary,
The Stock Exchange, Mumbai,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.

Security Code

Dear Sir,

Ref: Clause 41 of the Listing Agreement

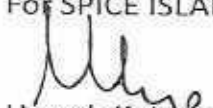
Sub: Submission of Limited Review Report (31.03.2020)

Enclosed please find herewith a "LIMITED REVIEW REPORT", submitted by the Auditors of the Company for the period of 1st January, 2020 to 31st March, 2020 (for the 4th quarter). This is submitted in compliance of the requirement of amended Clause 41 of the Listing Agreement.

Please acknowledge receipt of the same.

Thanking you,

For SPICE ISLANDS APPARELS LTD


Umesh Katre
(Chairman)



Encl: a. a.

Regd. Office: Unit No. 3043-3048, 3rd Floor, Bhandup Industrial Estate, Pannalal Silk Mills Compound, L.B.S. Marg,
Bhandup (West), Mumbai - 400 078.



Independent Auditor's Report on Audited standalone Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Independent Auditor's Report

To the Board of Directors of Spice Islands Apparels Limited

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone financial results of Spice Islands Apparels Limited (herein after referred to as "the company") for the quarter and the year ended March 31, 2020, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone annual financial results.



Material Uncertainty Related to Going Concern

We draw attention to Note 4 to the financial statements, which indicates that the Company's capital deficiency further increased as at March 31, 2020 because of its continuing net losses from operations. As stated in the note, this condition indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. In response to this matter, management continues to strengthen its strategy to expand its market in order for the Company to increase its sales and eventually generate profit. The management has undertaken several cost cutting measures, to cut down the losses. Operating losses of the Company manifested a significant decrease from Rs.393.01 Lakhs in 2019 to Rs.293.53 Lakhs in 2020. Management believes that the Company will be able to recover from losses in the next succeeding years. Accordingly, the accompanying Company's financial statements have been prepared assuming that the Company will continue as a going concern which contemplates the realization of assets and the settlement of liabilities in the normal course of business. In connection with our audit, we have performed audit procedures to evaluate management's assumptions as to the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note 8 to the financial results which explains COVID-19 and that it has caused significant disruptions in the business operations of companies across India and has caused significant accounting and auditing challenges. One such challenge being inability for the Company to conduct a physical verification of inventories for the year-end 31st March, 2020 due to Government having imposed restrictions during the lockdown on account of health, travel and safety concerns.

Inventories, being material to the financial statements/results of the Company, the Standard on Auditing (SA) 501, Audit Evidence - Specific Considerations for Selected items, cast a duty on us to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories. Accordingly, we have performed alternative audit procedures in this regard to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories.

Management's Responsibilities for the Standalone Financial Results

These financial results, which is the responsibility of the Company's Management and approved by Board of Directors, has been compiled from the related audited interim financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating



effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The standalone financial results include the results for the quarter ended 31 March 2020, being the balancing figure between audited figures in respect of the full financial year 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 NSVM & Associates

Chartered Accountants

Firm Registration Number: 010072S



G.C.S Mani

Partner

Membership Number: 036508



Place: Bengaluru

Date: 28th July, 2020

UDIN: 20036508AAAACX5313



SPICE ISLANDS APPARELS LTD.

(Govt. Recognised Export House)

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CIN NO. : L17121MH1988PLC050197

Dated: 28th July, 2020

To,
The Manager,
Listing Department
BSE Limited, Floor 25,
P J Towers, Dalal Street,
Mumbai – 400 001

BSE Scrip Code 526827

Sub: Regulation 33 of the SEBI (LODR) Regulations, 2015- Declaration in respect of Audit Reports with unmodified opinion for the financial year ended on March 31,2020.

Dear Sir / Madam,

We hereby confirm and declare that the Statutory Auditors, NSVM & Associates, Chartered Accountants (Firm Registration No.010072S) have issued an Audit Report with an Unmodified Opinion on the Audited Financial Results of the Company for the Quarter and Year ended March, 2020.

This Declaration is given pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulation, 2016 vide circular CIR/ CFD/ CMD/ 56/ 2016 dated 27th May, 2016.

Kindly take this Declaration on your record.

Thanking You, we are

For SPICE ISLANDS APPARELS LTD


Umesh Katre
(Chairman)

