



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

13th February 2021

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 06.02.2021.

Further to our Notice under reference, we wish to inform you that the Board of Directors of the Company at their Meeting held on 13th February, 2021, have approved the following Un-audited Financial Results of the Company for the Quarter ended 31.12.2020.

1. Consolidated
2. Standalone

We are sending herewith the Certified True Copies of the aforesaid Results along with the Limited Review Report issued by the Statutory Auditors of the Company.

Further the exchange was requested to note that the designation of Mr.S.Chenduran (DIN:03173269), has changed from Executive Director to Non-executive w.e.f 13.02.2021.

The Board Meeting Commenced at 01.00 PM and concluded at 4.00 P.M.

The Key Highlights of the financials is also enclosed.

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 Q3 FY 2020-21

Performance on a Consolidated Basis

- Revenue for the quarter is Rs.2097.67 millions as against Rs.1815.91 millions on a YoY basis which is growth of 15.52 %
- Profit after Tax for the quarter Rs. 196.54 millions as against Rs.18.95 on a YoY basis which is growth of 937.15%
- Earnings per share for the quarter Rs. 7.65 as against 0.74 on a YoY basis.
- The Revenue for the Quarter is Rs. 2097.67 Millions as against Revenue of Rs.1902.43 millions on QoQ basis which is growth of 10.26%
- Profit after Tax for the quarter is Rs. 196.54 millions as against Profit Rs. 187.83 millions on a QoQ basis which is growth of 4.64%.
- Earnings per share for the quarter Rs.7.65 as against Rs. 7.31 on a QoQ basis.



Limited Review report on unaudited quarterly and year to date 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 ended and year to date results for the period April 1, 2020 to December 31, 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 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. We did not review the interim financial results/financial information of 2 subsidiaries included in the statement, whose interim financial results reflect total revenue (before consolidation adjustments) of Rs 227.60 million and Rs 564.97 million for the quarter and year to date December 31, 2020 respectively, total net profit after tax and Total Comprehensive Income (before consolidation adjustments) of Rs.11.21 million and Rs 24.64 million for the quarter and year to date December 31, 2020 respectively as considered in the consolidated financial results. These interim financial results/financial information have not been reviewed by their auditors and we have been provided with the financial information by the management. Our conclusion on the statements, in so far as it relates to the amounts and disclosures included in respect of those subsidiaries, is based solely on the data provided by management and we have not carried out any other procedures.

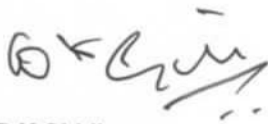
7. Based on our review conducted as stated above and except for the possible effects of the matter described in paragraph 6 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with Ind AS and other 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

UDIN: 21028738AAAAAT6523



D K Giridharan

Partner

Membership No: 028738



Place: Avinashi

Date: February 13, 2021

S.P. Apparels Limited

CIN: L18101TZ005PLC012295

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

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

Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2020

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

Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2020		(Rupees in millions except EPS and unless otherwise stated)					
		Quarter ended December 31, 2020 [Unaudited] Rs in Millions	Quarter ended September 30, 2020 [Unaudited] Rs in Millions	Quarter ended December 31, 2019 [Unaudited] Rs in Millions	Nine months ended December 31, 2020 [Unaudited] Rs in Millions	Nine months ended December 31, 2019 [Unaudited] Rs in Millions	For the year ended March 31, 2020 [Audited] Rs in Millions
S.No	Particulars						
1	Revenue from operations	2,095.40	1,899.05	1,768.95	4,606.91	6,405.99	8,089.66
2	Other income	2.27	3.38	46.96	9.47	225.51	237.07
	Total Income (3 = 1+2)	2,097.67	1,902.43	1,815.91	4,616.38	6,631.50	8,326.73
4	Expenses						
5	Cost of materials and services consumed	571.56	476.20	526.80	1,267.83	2,002.61	2,407.81
6	Purchases of Stock-in-Trade - Traded goods	273.99	297.79	230.96	670.48	748.38	984.27
	Changes in inventories of finished goods, stock-in-trade and work-in-progress - (Increase)/Decrease	27.99	(24.55)	(8.34)	(108.07)	58.86	174.90
7	Employee benefits expense	873.54	749.44	749.42	1,830.24	2,809.85	3,566.98
8	Finance costs	460.75	405.48	439.99	1,040.93	1,517.55	1,961.37
9	Depreciation and amortisation expense	37.49	33.87	59.40	119.22	173.58	227.81
10	Other expenses	84.95	81.21	75.00	247.39	215.94	299.34
	Total Expenses (11 = 4 to 10)	374.75	400.86	341.29	939.06	1,424.80	1,729.83
	Profit/(Loss) before exceptional items and tax (12 = 3 less 11)	1,831.48	1,670.86	1,665.10	4,176.84	6,141.72	7,785.33
	Exceptional items	266.19	231.57	150.81	439.54	489.78	541.40
13	Net Profit/(Loss) for the period before tax (14 = 12 less 13)	266.19	231.57	53.50	439.54	392.47	444.09
	Tax expense:						
	(a) Current tax expense	65.06	40.52	11.83	105.58	93.04	105.55
	(b) Short / (Excess) provision for tax relating to prior years	4.59	-	-	4.59	(9.28)	(7.55)
	(c) Deferred Tax	-0.00	3.22	22.72	3.22	(132.39)	(123.10)
	Tax expense (15 = a+b+c)	69.65	43.74	34.55	113.39	(48.63)	(25.10)
	Net Profit/(Loss) for the period after tax (16 = 14 less 15)	196.54	187.83	18.95	326.15	441.10	469.19
	Other Comprehensive Income for the period						
	A (i) Items that will not be reclassified to Profit or Loss	(11.50)	-	2.93	(11.50)	3.71	5.75
	Actuarial gain/(loss) on defined benefit plans	2.90	-	(0.73)	2.90	(0.93)	(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	(40.47)	32.98	(72.18)	26.27	(85.13)	(105.37)
	The effective portion of gain/(loss) on hedging instruments in a cash flow hedge						
	Translation difference	10.19	(16.80)	18.17	(6.61)	21.43	26.52
	(ii) Income tax relating to items that will be reclassified to Profit or Loss	(38.88)	16.18	(51.81)	11.06	(60.92)	(74.55)
	Total Other Comprehensive Income (net of taxes) (17)	0.00	0.10	(0.35)	0.10	(1.60)	0.37
	Minority interest (18)						
	Total Comprehensive Income for the period after tax (19 = 16 plus 17 plus 18)	157.66	204.11	(33.21)	337.31	378.58	395.01
	Paid-up equity share capital (face value Rs. 10/-) [Amount]	256,926,000	256,926,000	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]	7.65	7.31	0.74	12.69	17.17	18.26
		[Not annualised]	[Not annualised]	[Not annualised]	[Not annualised]	[Not annualised]	[Annualised]



See accompanying notes to the Financial Results

Notes:

1. The above unaudited consolidated financial results for the quarter and nine months ended December 31, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 13, 2021.
2. This statement has been prepared in accordance with the recognition principle laid down in Indian Accounting Standards 34 "Interim Financial Reporting" [IND AS 34], prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies.
3. The company operates in one segment (i.e.,) Textile business, which in the context of Indian Accounting standard (IND AS)108 - operating segment, is considered as the only reportable operating segment of the company.
4. Effective 01.04.2019, the Company has adopted Ind AS 116-leases, applied to its existing lease contracts on April 1, 2019 using the modified retrospective approach.
5. Pursuant to the amendment in the Income Tax Act, 1961 effective 20.09.2019, which provides for an option to Domestic Companies to pay Income Tax at reduced rates, the current tax expenses of the Company reduced by Rs. 40.18 Million and the deferred tax income of the company increased by Rs.128.31Million for the year ended March 31, 2020.
6. The results for the quarter ended December 31, 2020 is the balancing figures between consolidated unaudited figures of the nine months ended December 31, 2020 and the published unaudited results of half year ended September 30, 2020 of the current financial year 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 01, 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. The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020, which could impact the contributions by the company towards Provident Fund, Gratuity and other social security. The effective date from which the changes are applicable is yet to be notified, and the rules are yet to be framed. Impact, if any, of the change will be assessed and accounted in period of notification of the relevant provisions.
11. Previous period figures have been regrouped / reclassified, wherever necessary, to confirm to the current period classification / presentation.

For S.P.Apparels Limited


P. Sundharajan
Managing Director
DIN : 00003380

Place : Avinashi
Date : February 13, 2021


V. Balaji
Chief Financial Officer

Place : Avinashi

Date : February 13, 2021



Independent Auditor's Review Report on quarterly and year to date Unaudited Financial Results of S.P.Apparels Limited pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To

The Board of Directors of S.P.Apparels Limited


1. We have reviewed the accompanying Statement of Unaudited Financial Results of **S.P.Apparels Limited ("the Company")** for the quarter ended 31st December, 2020 and year to date results for the period from April 1, 2020 to December 31, 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 (the "Listing Regulations"), 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 as amended, read with relevant rules issued thereunder 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 is limited primarily to inquiries of the company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. 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 the Listing Regulations, 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

UDIN: 21028738AAAAAS9666


DK Girdharan
Partner
Membership No.: 028738



Place: Avinashi

Date: February 13, 2021

