



APM INDUSTRIES LIMITED

Website : www.apmindustries.co.in

CHATURVEDI & PARTNERS

Chartered Accountants

501, Devika Tower 6, Nehru Place, New Delhi - 110019

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF APM INDUSTRIES LIMITED

Report on the audit of the Financial Results

1. Opinion

We have audited the accompanying financial results ("the Statement") of **APM Industries Limited** (hereinafter referred to as "the Company"), for the quarter and the year ended March 31, 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("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, the aforesaid Statement:

- a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. 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 profit and other comprehensive income and other financial information for the quarter and the year ended March 31, 2020.

2. 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, as amended ("the Act"). Our responsibilities under those SAs are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



3. Management's Responsibilities for the Financial Results

These financial results have been prepared on the basis of the annual financial statements

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under section 133 of the Act 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors is 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.

4. Auditor's Responsibilities for the Audit of the financial results

Our objectives are to obtain reasonable assurance about whether the 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 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 financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of 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 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.

5. Other Matter

1. Note No. 4 to the accompanying Statement, which describes the assessment of uncertainties and the impact of Covid-19 pandemic on the Company's operations and results by the management. Further due to Covid-19 related lock down restrictions, management was able to perform year end physical verification of inventory at certain locations, subsequent to the year end. Also, we were not able to physically observe the verification of inventory that was carried out by the management. Consequently, we have performed alternative procedures to audit the existence of Inventory as per the guidance provided in SA -501 "Audit Evidence-Specific Considerations for Selected Items" and have obtained sufficient audit evidence to issue our unmodified opinion on these financial results.
2. The Statement include the results for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2020 and March 31, 2019 and the year to date figures upto the third quarter of the current financial year and previous financial year respectively which are subject to limited review by us.

For CHATURVEDI & PARTNERS

Chartered Accountants

Firm Registration No. 307068E

ANUJ MAHANSARIA

Partner

Membership No. 500819

UDIN - 20500819AAAAAH1620

New Delhi

June 29, 2020



**STATEMENT OF AUDITED FINANCIAL RESULTS
 FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020**

Sl. No.	Particulars	(Rs. in lakhs except EPS)				
		Quarter Ended			Year Ended	
		31.03.2020 Audited (Refer Note-8)	31.12.2019 Unaudited	31.03.2019 Audited (Refer Note-8)	31.03.2020 Audited	31.03.2019 Audited
	Income					
1	Revenue from operations	5,381	7,044	5,662	26,829	26,950
2	Other income	38	39	234	163	415
3	Total Income (1 + 2)	5,419	7,083	5,896	26,992	27,365
4	Expenses					
a)	Cost of materials consumed	3,264	3,805	4,174	14,978	15,802
b)	Changes in inventories of finished goods and work-in-progress	(621)	(60)	(1,247)	(269)	(356)
c)	Employees benefits expense	1,011	1,182	1,038	4,429	4,026
d)	Finance costs	115	116	125	486	436
e)	Depreciation and amortization expense	161	154	138	614	542
f)	Other expenses	1,322	1,580	1,554	6,040	6,104
	Total Expenses	5,252	6,777	5,782	26,278	26,554
5	Profit before Exceptional Items and Tax (3 - 4)	167	306	114	714	811
6	Exceptional Items	-	-	-	-	-
7	Profit before tax (5 - 6)	167	306	114	714	811
8	Tax expenses					
a)	Current tax (including prior period tax adjustment and net of MAT credit entitlement) (Refer Note-5)	35	83	(38)	162	160
b)	Deferred Tax (Refer Note- 5)	63	5	(101)	(165)	(83)
9	Profit for the period (7 - 8)	69	218	253	717	734
10	Other Comprehensive Income (OCI)					
A. i)	Items that will not be reclassified to profit or loss	(41)	8	32	(18)	31
ii)	Income tax relating to items that will not be reclassified to profit or loss	11	(2)	(10)	5	(10)
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	-	-	-	-	-
11	Total Comprehensive Income for the period (9 + 10)	39	224	275	704	755
12	Paid-up equity share capital (Face value of Rs. 2/- per share)	432	432	432	432	432
13	Earnings Per Share (EPS) (Face value of Rs. 2/- per share)					
-	Basic and Diluted EPS (Rs.)	0.32	1.01	1.17	3.32	3.40
		Not Annualised	Not Annualised	Not Annualised	Annualised	Annualised

NOTES:

- The above audited financial results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on June 29, 2020 and subjected to an audit by the statutory auditors.
- This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) (as amended) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- The Operations of the Company relate to one segment i.e., "Yarn". As such there are no reportable segments as per Ind AS 108 - "Operating Segments".
- The operation and the Financial results of the company during the quarter and year ended March 31, 2020 were marginally impacted due to the shutdown of the company's plants under the lockdown announced by the state/central Government after the outbreak of Covid-19 pandemic in March 31, 2020. The company has since resumed its operations since May, 2020 conforming to the guidelines of the Government. All necessary precautions relating to Hygiene, Sanitization, social distancing, care and protection of the employees would continue to be followed.

The company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, Plants and Equipment, Inventories, Receivables and Other current Assets. In developing the assumptions relating to the possible future uncertainties in the economic condition because of this pandemic, the company as at the date of approval of these Financial results has used internal and external sources on the expected future performance of the company. The Company has performed analysis on the assumptions used and based on current indicators of Future Economic conditions, the company expects the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the Business operations for at least another 12 months. Given the uncertainty because of COVID-19, the final impact of the company's assets in future may differ from that estimated as at the date of approval of these Financial results.
- Current tax include tax charge of Rs. 45 lakhs relating to an earlier year. The Company has recognised the provision for current tax as per the provision of Finance (no. 2) Act, 2019 and remeasured the balance of net deferred tax liabilities. This remeasurement has resulted into in write down of deferred tax liabilities (net) of Rs. 264 lakhs in the Statement of Profit and Loss and Rs.339 lakhs in other equity in respect of items earlier recognised in equity for the year ended March 31, 2020.
- Effective April 01, 2019, the Company adopted Ind AS 116 "Leases", as notified by Ministry of Corporate Affairs (MCA) in the Companies (Indian Accounting Standard) Amendment Rules, 2019, using the modified retrospective method and applied the same to all lease contracts existing on April 01, 2019. Accordingly, comparatives for the previous periods have not been retrospectively adjusted. The adoption of this standard did not have any material impact on the profits of current quarter/year.
- The Financial Results are available under investors section of our website at www.apmindustries.co.in and under Financial Results at Corporate section of www.bseindia.com.
- Figure of the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2020 and March 31, 2019 and the year to date figures upto the third quarter of the current financial year and previous financial year respectively which are subject to limited review.

Place: New Delhi
 Date: June 29, 2020



For APM Industries Limited

R K Rajgaria
 Chairman

APM Industries Limited
Statement of Assets and Liabilities

(Rs. In Lakhs)

SI No.	Particulars	As at 31.03.2020	As at 31.03.2019
		Audited	Audited
ASSETS			
1	Non-Current Assets		
	(a) Property, plant and equipment	15,638	14,829
	(b) Capital work-in-progress	45	620
	(c) Intangible assets	3	4
	(d) Right of use assets	69	-
	(e) Financial Assets		
	(i) Investments	0	0
	(ii) Loans	10	-
	(iii) Other financial assets	351	311
	(f) Non-current tax assets (net)	38	23
	(g) Other non-current assets	80	156
	Total Non-Current Assets	16,234	15,943
	2	Current Assets	
(a) Inventories		4,957	4,732
(b) Financial assets			
(i) Trade receivables		2,307	2,919
(ii) Cash and cash equivalents		28	10
(iii) Bank balance other than (ii) above		118	126
(iv) Loans		10	-
(v) Other financial assets		39	19
(c) Other current assets		416	615
Total Current Assets		7,875	8,421
Total Assets		24,109	24,364
Equity and Liabilities			
1	Equity		
	a) Equity Share Capital	432	432
	b) Other Equity (Refer Note- 5)	12,692	11,780
	Total Equity	13,124	12,212
2	Non-Current Liabilities		
	(a) Financial liabilities		
	(i) Borrowings	2,248	1,727
	(ii) Other financial liabilities	98	180
	(b) Deferred tax liabilities (net)	2,894	3,379
	Total Non Current Liabilities	5,240	5,286
3	Current Liabilities		
	(a) Financial liabilities		
	(i) Borrowings	2,639	3,371
	(ii) Trade payables		
	- Total outstanding dues of micro enterprises and small enterprises	66	3
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,593	1,757
	(iii) Other financial liabilities	1,143	1,522
	(b) Other current liabilities	112	88
	(c) Provisions	192	125
	Total Current Liabilities	5,745	6,866
	Total Liabilities	10,985	12,152
Total Equity and Liabilities		24,109	24,364

* Amount is less than Rs. 1 lakh

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APM Industries Limited
Statement of Cash Flows for the Year Ended March 31, 2020

(Rupees in Lakhs)

Sl. No.	Particulars	Year Ended	
		31.03.2020	31.03.2019
		Audited	Audited
I.	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit for the year before Taxation	714	811
	Adjustments for		
	Depreciation and amortisation expense	614	542
	Excess Provision written back/Liabilities no longer required	(3)	(255)
	(Gain)/ Loss on sale of property, plant and equipment	-*	9
	Allowances for doubtful trade receivables	36	23
	Fair valuation of financial assets	3	-*
	Finance cost	486	436
	Interest income	-	(2)
	Operating profit before working capital changes	1,850	1,564
	Changes in assets and liabilities		
	(Increase)/Decrease in inventories	(225)	(645)
	(Increase)/Decrease in trade receivables	576	(288)
	(Increase)/Decrease in other bank balances	-	28
	(Increase)/Decrease in current and non-current assets	193	(218)
	(Increase)/Decrease in current and non-current financial assets	(68)	(170)
	(Increase)/Decrease in current and non-current Loans	(22)	-
	Increase/(Decrease) in current and non-current liabilities and provisions	72	(10)
	Increase/(Decrease) in current and non-current financial liabilities	(144)	684
	Cash generated from operations activities	2,232	945
	Taxes paid	153	211
	Net cash flows generated from operating activities	2,079	734
II.	CASH FLOWS FROM INVESTING ACTIVITIES		
	Payment for property, plant and equipment	(954)	(1092)
	Proceed from sale of property, plant and equipment	10	25
	Interest received	-	2
	Net cash (used in) investing activities	(944)	(1,065)
III.	CASH FLOWS FROM FINANCING ACTIVITIES		
	Increase/(decrease) in Long term borrowings (Net)	(61)	115
	Increase/(decrease) in Working capital and other borrowings (Net)	(421)	896
	Dividend and corporate dividend tax Paid	(130)	(264)
	Interest and finance charges paid	(465)	(443)
	Payment of lease liabilities	(40)	-
	Net cash flows used in financing activities	(1,117)	304
IV.	NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	18	(27)
	Cash and cash equivalents at the beginning of the year	10	37*
	Cash and cash equivalents at the end of the year	28	10
	Closing balance of cash and cash equivalents include		
	Cash in Hand	3	2
	Balances with Banks		
	- In Current Accounts	25	8
		28	10
	* Less than Rs. 1 lakh		
	** Net of adjustment of Rs. 1 lakh on account of demerger as on April 01, 2018		



2-2-2020



IS/ISO 9001 - 2000

APM INDUSTRIES LIMITED

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CIN No. : L21015RJ1973PLC015819

Website : www.apmindustries.co.in

June 29, 2020

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001

Ref: Stock Code 523537

Sub: Declaration pursuant to the Regulation 33(3) (d) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in respect of Audit Reports with unmodified opinion for the financial year ended March 31, 2020

Dear Sir,

In terms of Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that Statutory Auditors of the Company, Chaturvedi & Partners, Chartered Accountants (Firm Registration No. 307068E) have issued an Audit Report with unmodified opinion on Audited Financial Results of the Company for the quarter and financial year ended March 31, 2020.

We request you to take the same on record.

Thanking you,

Yours faithfully,
For **APM Industries Limited**

R K Rajgarhia
R K Rajgarhia
Chairman

