



# EUROTEX INDUSTRIES AND EXPORTS LIMITED

Registered Office: 1110, Raheja Chambers, 11<sup>th</sup> Floor, 213, Nariman Point, Mumbai – 400 021.

Phone : (022) 6630 1400 E-Mail : [eurotex@eurotexgroup.com](mailto:eurotex@eurotexgroup.com) Website : [www.eurotexgroup.com](http://www.eurotexgroup.com)

CIN : L70200MH1987PLC042598

11<sup>th</sup> November, 2020

**1) The Secretary**

**Bombay Stock Exchange Limited  
1<sup>st</sup> Floor, New Trading Ring,  
Rotunda Building,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort, Mumbai - 400 001.  
Stock Code: 521014**

**(BY BSE LISTING CENTRE)**

**2) The Secretary**

**National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G- Block,  
Bandra-Kurla Complex,  
Bandra (East), Mumbai - 400 051.  
Stock Code: EUROTEXIND**

**(BY NSE NEAPS)**

**Dear Sir / Madam,**

**SUB: LIMITED REVIEW REPORT AND UNAUDITED FINANCIAL RESULTS OF THE COMPANY FOR THE QUARTER AND HALF YEAR ENDED 30<sup>TH</sup> SEPTEMBER, 2020.**

As required by Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Limited Review Report and Unaudited Financial Results of the Company for the quarter and half ended 30<sup>th</sup> September, 2020 from our Auditors, SVP & Associates.

The Limited Review Report as well as the Unaudited Financial Results of the Company for the quarter and half year ended 30<sup>th</sup> September, 2020 has been approved in the Board Meeting held on 11<sup>th</sup> November, 2020.

This is for your kind information and records.

Thanking you,

Yours faithfully,

**For EUROTEX INDUSTRIES AND EXPORTS LIMITED**

**RAHUL** Digitally signed  
by RAHUL  
RAWAT

**RAWAT** Date: 2020.11.11  
20:35:15 +05'30'

**RAHUL RAWAT  
COMPANY SECRETARY**

Encls: As above



LIMITED REVIEW REPORT

**Review Report to Board of Directors**

1. We have reviewed the accompanying statement of unaudited financial results of **Eurotex Industries and Exports Limited** ("the Company") for the quarter and half year ended 30<sup>th</sup> September, 2020 attached herewith, being submitted by the Company pursuant to the requirements of Regulations 33 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Obligations'). The statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on this Statement based on our review.
2. We conducted our review of 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of 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.
3. Based on our review, conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian accounting standards (IND AS) and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circular issued from time to time including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. **Material Uncertainty Related to Going Concern**

Without qualifying, we draw your attention to the fact that these financial results have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business although the Company has incurred cash loss during the current period, losses during the last couple of previous periods/years, having eroded its entire net worth, and that most of the mills operations have come to a grinding halt, as informed by management, as a result of severe indiscipline by workers as well as severe inter-union rivalry, and also due to lack of working capital. As explained by the management, prospective lenders are being pursued for additional working capital. The management is also exploring/arranging alternate sources for additional funds to streamline the operations after proper evaluation. Accordingly, these financial results have been prepared on a going concern basis.

**Emphasis of Matters**

5. (a) Attention is invited to note no 3 (a) of financial results regarding dispute with authorities in respect of 'lay off' of workers. The matter in respect of which is subjudice and pending before the Honorable Supreme Court and the management expect a favourable outcome.  
  
(b) We draw your attention to Note 3 (b) of the financial results with regard to management's assessment about the impact on Company's operations due to COVID 19



pandemic outbreak. The management apart from considering the internal and external information up to the date of approval of these financial results, the Company has also performed sensitivity analysis on the assumptions used interalia, including in respect of realisability of inventories of Rs.459.22 lakhs, recoverability of trade receivables of Rs.96.04 lakhs and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of all these assets.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements. Considering the continuing uncertainties, as explained, the Management will continue to closely monitor any material changes to future economic conditions.

Our report is not modified in respect of these matters.

For SVP & Associates  
Chartered Accountants  
Firm Registration No. 003838N

YOGESH KUMAR  
SINGHANIA

Yogesh Kumar Singhania  
Partner

Membership No. 111473  
UDIN : 20111473AAAAAN5556

Mumbai  
11<sup>th</sup> November, 2020

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2020**

(Rs. in Lakhs)							
1	2	3	4	5	6	7	8
S. No.	Particulars	3 Months ended	3 Months ended	3 Months ended	Year to date	Year to date	Year to date
		(30/09/2020)	(30/06/2020)	(30/09/2019)	figures for the period ended (30/09/2020)	figures for the period ended (30/09/2019)	figures for the period ended (31/03/2020)
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from Operations	457.52	448.12	892.30	905.64	2,486.13	4,205.77
2	Other Income	280.11	31.79	49.74	311.90	105.19	753.86
3	<b>Total Revenue (1+2)</b>	<b>737.63</b>	<b>479.91</b>	<b>942.04</b>	<b>1,217.54</b>	<b>2,591.32</b>	<b>4,959.63</b>
4	<b>Expenses:</b>						
	(a) Cost of materials consumed	-	-	480.13	-	607.24	1,396.64
	(b) Purchase of Stock-in-Trade	135.12	60.95	137.66	196.07	528.01	958.02
	(c) Changes in inventories of finished goods, work-in-progress & Stock-in-Trade	245.68	284.62	156.24	530.30	1,054.93	1,388.93
	(d) Employee benefits expense	554.91	68.23	659.35	623.14	1,153.20	1,827.15
	(e) Power & Fuel	13.50	4.30	19.35	17.80	53.70	99.09
	(f) Finance costs	102.18	99.69	152.20	201.87	270.00	446.58
	(g) Depreciation and amortisation expense	92.45	91.69	93.40	184.14	186.12	371.04
	(h) Other expenses	102.26	94.95	165.60	197.21	370.78	652.14
	<b>Total Expenses (a to h)</b>	<b>1,246.10</b>	<b>704.43</b>	<b>1,863.93</b>	<b>1,950.53</b>	<b>4,223.98</b>	<b>7,139.59</b>
5	<b>Loss before tax (3-4)</b>	<b>(508.47)</b>	<b>(224.52)</b>	<b>(921.89)</b>	<b>(732.99)</b>	<b>(1,632.66)</b>	<b>(2,179.96)</b>
6	<b>Tax Expenses</b>						
	Deferred tax	(45.87)	(74.56)	(109.50)	(120.43)	(402.46)	(304.44)
	<b>Tax Expenses</b>	<b>(45.87)</b>	<b>(74.56)</b>	<b>(109.50)</b>	<b>(120.43)</b>	<b>(402.46)</b>	<b>(304.44)</b>
7	<b>Loss for the period (5-6)</b>	<b>(462.60)</b>	<b>(149.96)</b>	<b>(812.39)</b>	<b>(612.56)</b>	<b>(1,230.20)</b>	<b>(1,875.52)</b>
8	<b>Other Comprehensive Income</b>						
	(i) Items that will not be reclassified to profit or loss:						
	(a) Remeasurement of the net defined benefit liabilities/ (assets)	(28.02)	(46.98)	3.23	(75.00)	10.00	(187.91)
	(b) Equity instruments through other comprehensive income	6.20	20.54	(103.26)	26.74	(121.79)	(160.74)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	5.50	6.65	15.31	12.15	17.27	88.54
9	<b>Total Comprehensive Income for the period</b>	<b>(478.92)</b>	<b>(169.75)</b>	<b>(897.11)</b>	<b>(648.67)</b>	<b>(1,324.72)</b>	<b>(2,135.63)</b>
10	<b>Paid up equity share capital</b> (Face value : Rs.10 per share)	874.02	874.02	874.02	874.02	874.02	874.02
11	<b>Other equity</b>						(446.37)
12	<b>Earning Per Share (of Rs.10 each)</b>						
	a) Basic (Not to be annualized)	(5.29)	(1.72)	(9.28)	(7.01)	(14.06)	(21.43)
	b) Diluted (Not to be annualized)	(5.29)	(1.72)	(9.28)	(7.01)	(14.06)	(21.43)





**Notes:**

- 1 The above unaudited financial results have been reviewed by the Audit Committee and were thereafter approved and taken on record by the Board of Directors in their meeting held on 11th November, 2020. The Statutory Auditors have carried out Limited Review of the above results for the quarter ended 30th September, 2020 as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The Company has only single reportable business segment i.e. 'Yarn segment' in terms of requirements of Ind AS 108 and has its operations / assets located in India.
- 3 (a) Results for the current quarter have been adversely affected mainly due to unfair and illegal activities and a strike started by workers from 3rd November, 2018 in Plant E-23 (Mill). The Spinning Mill restarted from 9th February, 2019 after getting prescribed consent letters of good conduct from all the workers as directed by Hon'ble Industrial Court. However, the Mill has come to a grinding halt again w.e.f. 25th March, 2019 due to persistent labour problems and for want of raw material, paucity of working capital and disconnection of power. Till now the grinding halt of Mills operation continues. Disputed labour dues in respect of 'lay off' workers, the matter in respect of which is subjudice, pending before the Honorable Supreme Court and the management expects a favourable outcome. Besides, the management is pursuing the lenders for additional working capital and also exploring / arranging alternate sources of additional funds needed to resume operations. Accordingly, the financial statements have been prepared on a going concern basis.
- 3 (b) There was an outbreak of Pandemic 'Novel Coronavirus' ("COVID-2019") which may have adverse impact on the Company's financials. The management however, has considered the possible future effects, that may inter-alia, impact the carrying amounts of inventories and trade receivables. The Management will closely monitor any material changes due to future economic conditions and take necessary measures to address the situation.
- 4 "Employee benefits expense" for the current quarter and half year includes Rs.424.81 lakhs; previous years' corresponding quarter and half year includes Rs.222.35 lakhs being ex-gratia paid to the certain workers who have voluntarily retired.
- 5 "Other Income" for the current quarter and half year includes Rs.254.26 lakhs; previous years' corresponding quarter and half year includes Rs.Nil being profit on sale of certain land and building at Kolhapur.
- 6 Figures of current quarter / half year are not comparable with corresponding quarter / half year due to the reasons as stated in Note 3, 4 and 5 above.
- 7 Previous periods' figures have been regrouped / rearranged, wherever necessary to make them comparable to current quarter's presentation.

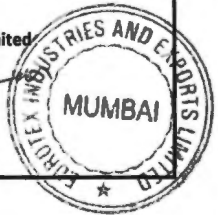
For Eurotex Industries and Exports Limited

  
K.K. Patodia

Chairman and Managing Director  
(DIN : 00027335)

Place : Mumbai

Date : 11th November, 2020



## Statement of Assets and Liabilities

(Rs. in Lacs)

Particulars	As at 30.09.2020	As at 31.03.2020
<b>Assets</b>		
<b>1. Non-current assets</b>		
(a) Property, plant and equipment	4,910.34	5,098.14
(b) Financial assets		
(i) Equity Instruments	136.31	109.57
(ii) Deposits	124.27	123.99
(c) Income tax assets	45.17	38.44
(d) Other non-current assets	368.36	368.36
<b>Total non-current assets</b>	<b>5,584.45</b>	<b>5,738.50</b>
<b>2. Current assets</b>		
(a) Inventories	459.22	1,001.46
(b) Assets held for disposal	1.49	218.90
(c) Financial assets		
(i) Trade receivables	96.04	195.99
(ii) Cash and cash equivalents	23.73	48.10
(iii) Bank balances other than (ii) above	2.47	2.47
(iv) Other financial assets	58.79	53.54
(d) Other current assets	58.48	75.73
<b>Total current assets</b>	<b>700.22</b>	<b>1,596.19</b>
<b>Total assets</b>	<b>6,284.67</b>	<b>7,334.69</b>
<b>Equity and liabilities</b>		
<b>1. Equity</b>		
(a) Equity share capital	874.02	874.02
(b) Other equity	(1,096.66)	(446.37)
<b>Total equity</b>	<b>(222.64)</b>	<b>427.65</b>
<b>2. Liabilities</b>		
<b>I. Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	503.00	503.00
(b) Deferred tax liabilities (net)	594.69	727.26
<b>Total non-current liabilities</b>	<b>1,097.69</b>	<b>1,230.26</b>
<b>II. Current liabilities</b>		
(a) Financial liabilities		
(I) Borrowings	2,629.69	2,333.18
(II) Trade payables		
(i) Total outstanding due to micro enterprises and small enterprises	-	-
(ii) Total outstanding due to creditors other than micro enterprises and small enterprises	970.56	953.54
(III) Other financial liabilities	550.92	405.09
(b) Other current liabilities	561.39	1,383.15
(c) Provisions	697.06	601.82
<b>Total current liabilities</b>	<b>5,409.62</b>	<b>5,676.78</b>
<b>Total liabilities</b>	<b>6,507.31</b>	<b>6,907.04</b>
<b>Total equity and liabilities</b>	<b>6,284.67</b>	<b>7,334.69</b>



**EUROTEX INDUSTRIES AND EXPORTS LIMITED**

Regd. Office : 1110, Raheja Chambers, 11Th Floor, 213, Nariman Point, Mumbai - 400 021,

CIN : L70200MH1987PLC042598

Statement of Cash Flows for the half year ended 30th September, 2020.

(Rs. in Lakhs)

Particulars	For the half year ended 30-09-2020 (Unaudited)	For the half year ended 30-09-2019 (Unaudited)
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Loss before Tax	(732.99)	(1,632.66)
Adjustments for:		
Depreciation and amortization expense	184.14	186.12
Finance costs	187.09	258.94
Interest earned	(0.26)	(3.98)
Provisions no longer required written back	(0.07)	(0.05)
Profit on sale of property, plant and equipment (Net)	(236.14)	(13.03)
Dividend earned	-	(3.15)
Remeasurement of the net defined benefit liabilities/ (assets)	(75.00)	10.00
<b>Operating Loss before working capital changes</b>	<b>(673.23)</b>	<b>(1,197.81)</b>
Adjustments for:		
Decrease/ (Increase) in Trade and Other Receivables	111.68	(29.23)
Decrease in Inventories	542.24	1,537.91
Decrease in Trade and Other Payables	(563.60)	(511.28)
<b>Cash Generated from Operations</b>	<b>(582.91)</b>	<b>(200.41)</b>
Refund of Income Taxes / (Direct Taxes paid)	(6.73)	11.48
<b>NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES</b>	<b>(589.64)</b>	<b>(188.93)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(2.47)	(0.08)
Sale of property, plant and equipment	458.07	66.80
Sale of equity instruments	-	979.20
Interest received	0.26	3.98
Dividend received	-	3.15
<b>NET CASH GENERATED FROM INVESTING ACTIVITIES</b>	<b>455.86</b>	<b>1,053.05</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
(Repayment) of Long-Term Borrowings (Net)	-	(36.00)
Proceeds / (Repayment) of Short-Term Borrowings (Net)	296.51	(578.52)
Finance costs paid	(187.09)	(258.94)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>109.42</b>	<b>(873.46)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(24.36)</b>	<b>(9.34)</b>
Cash and cash equivalents at the beginning of the year	48.10	14.48
Cash and cash equivalents at the end of the year	23.74	5.14

