



FIL/SE/2019-20/42
14th February, 2020

National Stock Exchange of India Limited
Listing Department
5th Floor, Exchange Plaza, C-1, Block-G,
Bandra-Kurla Complex, Bandra (E)
Mumbai-400 051
Security Symbol: **FILATEX**

BSE Limited
Listing Department
25th Floor, Pheroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001
Security Code: **526227**

Dear Sir,

We wish to inform you that the Board of Directors of the Company, in their meeting held on 14th February, 2020 have inter alia, approved the following:

1. The Unaudited Financial Results for the quarter and nine months ended 31st December, 2019. A copy of the same together with the Auditors' Report in respect of the Limited Review conducted by them in respect of the Unaudited Financial Results for the quarter and nine months ended 31st December, 2019 is enclosed. The results are also being published in the newspapers in the prescribed format. In this regard, please also find enclosed Earnings Release for the quarter and nine months ended 31st December, 2019.
2. Re-appointment of Shri Ashok Chauhan as Wholetime Director of the Company for a further period of two years w.e.f. 01.05.2020 subject to the approval of shareholders in the General Meeting. A brief Profile of Shri Ashok Chauhan is enclosed. Mr. Ashok Chauhan have confirmed that he is not debarred from holding office of director by virtue of any SEBI order or any other such authority.

This is for your information and records please.

Thanking You,

Yours Faithfully,
For FILATEX INDIA LIMITED

COMPANY SECRETARY

Encl.: a/a

CORPORATE OFFICE

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New Friends Colony
New Delhi - 110025, India
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REGD. OFFICE & WORKS

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FILATEX INDIA LIMITED

Regd Office: S.No.274, Demni Road, Dadra-396 193 (UT of Dadra & Nagar Haveli)

Corporate Identification Number (CIN)- L17119DN1990PLC000091

Statement of Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2019

| (Rs. In Lakhs) | | | | | | | |
|----------------|--|---------------|----------------|---------------|-------------------|----------------|----------------|
| SI. No. | PARTICULARS | Quarter Ended | | | Nine Months Ended | | Year Ended |
| | | 31.12.2019 | 30.09.2019 | 31.12.2018 | 31.12.2019 | 31.12.2018 | 31.03.2019 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| I | Revenue from operations | 73,773 | 68,023 | 74,580 | 211,477 | 216,834 | 287,410 |
| II | Other Income | 144 | 219 | 315 | 669 | 659 | 1,179 |
| III | Total Income (I + II) | 73,917 | 68,242 | 74,895 | 212,146 | 217,493 | 288,589 |
| IV | Expenses : | | | | | | |
| | (a) Cost of Materials consumed | 56,613 | 58,398 | 57,805 | 168,056 | 177,130 | 232,790 |
| | (b) Purchases of Stock-in-trade | 802 | 841 | 708 | 3,157 | 1,462 | 2,310 |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 1,721 | (5,480) | 5,432 | (1,840) | (164) | 1,356 |
| | (d) Employee benefits expense | 1,914 | 1,836 | 1,605 | 5,483 | 4,724 | 6,324 |
| | (e) Finance costs | 1708^ | 948^ | 593 | 3905* | 4,923 | 5470** |
| | (f) Depreciation and amortisation expense | 1,400 | 1,192 | 1,144 | 3,719 | 3,378 | 4,497 |
| | (g) Other expenses | 7,136 | 7,199 | 5,056 | 20,647 | 17,544 | 22,979 |
| | Total Expenses | 71,294 | 64,934 | 72,343 | 203,127 | 208,997 | 275,726 |
| V | Profit / (Loss) before exceptional items and tax (III - IV) | 2,623 | 3,308 | 2,552 | 9,019 | 8,496 | 12,863 |
| VI | Exceptional items | - | - | - | - | (234) | (234) |
| VII | Profit / (Loss) before tax (V - VI) | 2,623 | 3,308 | 2,552 | 9,019 | 8,730 | 13,097 |
| VIII | Tax expense | | | | | | |
| | (a) Current Tax (under MAT) | 459 | 450 | 557 | 1,573 | 1,902 | 2,830 |
| | (b) Deferred Tax Expense/(Credit) | 307 | (3,326) | 363 | (2,599) | 1,157 | 1,782 |
| | Total Tax Expense | 766 | (2,876) | 920 | (1,026) | 3,059 | 4,612 |
| IX | Net Profit/(Loss) after tax for the period (VII - VIII) | 1,857 | 6,184 | 1,632 | 10,045 | 5,671 | 8,485 |
| X | Other Comprehensive Income /(Loss) | | | | | | |
| | Items to be reclassified to profit or loss | - | - | - | - | - | - |
| | Income tax relating to items to be reclassified to profit or loss | - | - | - | - | - | - |
| | Items not to be reclassified to profit or loss | (4) | 4 | 14 | (2) | 42 | (3) |
| | Income tax relating to items not to be reclassified to profit or loss | 1 | (1) | (5) | 1 | (15) | 1 |
| XI | Total Comprehensive Income for the period (Comprising Profit/(Loss) and other comprehensive income for the period (IX + X)) | 1,854 | 6,187 | 1,641 | 10,044 | 5,698 | 8,483 |
| XII | Paid-up equity share capital (Face value of Rs. 2/- each) | 4,394 | 4,394 | 4,350 | 4,394 | 4,350 | 4,350 |
| XIII | Other Equity | | | | | | 42,858 |
| XIV | Earnings per equity share (EPS) (Face value of Rs. 2/- each) (not annualised): | | | | | | |
| | - Basic (Rs.) | 0.85 | 2.82 | 0.75 | 4.57 | 2.61 | 3.90 |
| | - Diluted (Rs.) | 0.84 | 2.79 | 0.74 | 4.54 | 2.56 | 3.83 |

Finance Cost is net off Interest Subsidy under State subsidy Scheme :-

^ Rs. 62.34 Lakhs for the Quarter ended December 31, 2019 and Rs. 64.26 Lakhs for the quarter ended September 30, 2019

* Rs. 190.56 lakhs for the Nine Months ended December 31, 2019

** Rs. 691.59 lakhs accounted during the Year ended March 31, 2019 upon approval by the competent authority (comprising subsidy of Rs. 422.98 lakhs upto March 31, 2018, Rs. 268.61 lakhs for financial year ended March 31, 2019).



Notes:-

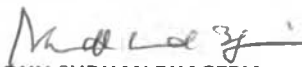
- 1 The above results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on February 14, 2020 and had undergone a 'Limited Review' by the Statutory Auditor's of the Company. The financial results have been prepared in accordance with Indian Accounting Standards (IND-AS) as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter. The Statutory auditors have expressed an unmodified Audit opinion on these results.
- 2 The operations of the Company relate to single segment i.e. manufacture and trading of Synthetic Yarn and Textiles.
- 3 Effective from April 01, 2019, the Company has adopted Ind AS 116 "Leases", using the modified retrospective approach. As a result, the Company has recognised a Right of Use Asset of Rs. 323.30 lacs and a corresponding lease liability of Rs. 390.58 lacs by debit to retained earnings net of taxes of Rs. 43.77 lacs (including the impact of deferred tax of Rs. 23.51 lacs) as at April 01, 2019. Further, expense towards such lease is now recorded as depreciation on Right of Use Asset and finance cost on lease liability, instead of Rent. The effect of this adoption is insignificant on the profit for the period.
- 4 The Company has evaluated the option of lower tax rates allowed under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, considering the MAT credit available, there is no impact on the provision for Income tax for the quarter and nine months ended December 31, 2019. The Company expects to utilise the deferred tax balances over subsequent periods which have accordingly been re-measured using the tax rate expected to be prevalent in the period in which the deferred tax balances are expected to reverse. Consequently, the Company has reversed deferred tax liabilities amounting to Rs. 3,470.07 Lakhs in the period ended September 30, 2019 at the estimated effective tax rate.
- 5 The figures for the corresponding previous periods have been regrouped wherever necessary to make them comparable.

Place: New Delhi

Dated: February 14, 2020



On behalf of the Board of Directors


MADHU SUDHAN BHAGERIA

CHAIRMAN & MANAGING DIRECTOR
DIN NO. 00021934



Arun K. Gupta & Associates
Chartered Accountants

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New Delhi-110 065
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Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Filatex India limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors,
Filatex India Limited**

1. We have reviewed the accompanying statement of unaudited financial results of **Filatex India Limited** ('the Company') for the quarter ended December 31, 2019 and year to date from April 01, 2019 to December 31, 2019 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ('the Regulation') as amended (the "Listing Regulations").
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 the Indian Accounting Standard 34" Interim Financial Reporting" (Ind AS 34") prescribed under section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. 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 applicable Indian Accounting Standards('Ind AS') specified under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulation, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For ARUN K GUPTA & ASSOCIATES
Firm Registration No.000605N
Chartered Accountants



GIREESH KUMAR GOENKA
PARTNER
Membership No. - 096655

UDIN: 20096655AAAAAC8782

Place: New Delhi
Dated: 14-02-2020

Date: February 14, 2020

FINANCIAL PERFORMANCE FOR THE QUARTER ENDED DECEMBER 31, 2019

New Delhi, India: February 14, 2020 – Filatex India Ltd (NSE: FILATEX; BSE: 526227), is in the business of manufacturing of synthetic filament yarns. Filatex India announced Q3FY20 unaudited results today.

Financial Highlights – Q3FY20 vs Q3FY19:

- ✓ Revenue of INR 737.7 Cr against INR 745.8 Cr,
- ✓ EBITDA stands at INR 55.9 Cr against INR 39.7 Cr,
- ✓ Profit Before Tax stands at 26.2 Cr against 25.5 Cr
- ✓ Net Profit stands at INR 18.6 Cr against INR 16.3 Cr,
- ✓ Q3FY20 EPS (Basic) is INR 0.85 against INR 0.75 during Q3FY19

Financial Highlights – 9MFY20 vs 9MFY19:

- ✓ Revenue of INR 2114.8 Cr against INR 2168.3 Cr,
- ✓ EBITDA stands at INR 159.7 Cr against INR 161.4 Cr,
- ✓ Profit Before Tax stands at 90.2 Cr against 84.9 Cr,
- ✓ Net Profit stands at INR 100.4 Cr against INR 56.7 Cr,
- ✓ 9MFY20 EPS (Basic) is INR 4.57 against INR 2.61 during 9MFY19

Message from Management

Commenting on the performance for nine months for the financial year 2019-20, Mr. Madhusudhan Bhageria, Chairman & Managing Director, Filatex India Ltd. said, This year the revenues are slightly less than the same period last year. The drop is due to lower crude prices which have a direct impact on key raw materials i.e. PTA & MEG. However, the EBITDA margin is almost the same as compared to the previous period as the variations be it increase or decrease in raw material prices is passed on to customers.

Overall, the performance for Q3 FY 19-20 is good keeping in view the general economic slowdown and competitive environment. We have completed installation of around 75% of our new capacity for texturizing. In the forthcoming quarter, we will have the benefit of additional texturized product which has good export potential.

We expect next quarter will be better as the demand for polyester filaments is expected to grow. The abolition of anti-dumping duty in this budget has given a positive stimulus to the demand and sentiments in the domestic market.

About Filatex India Ltd

FIL is engaged in manufacturing and trading of synthetic yarn and textiles. The company manufactures polyester and polypropylene multifilament yarn and polyester chips. Filatex's product offerings include complete range of filament, be it POY, DTY or FDY in semi dull, bright and colors of different shade, covering a wide range of coarse and fine denier.

FIL has two manufacturing facilities; one at Dadra & Nagar Haveli and second one at Dahej, equipped with state-of-the-art modern German machines. Filatex at present exports to 42 countries globally. FIL is accredited with ISO 9001 2015, ISO 14001:2004, ISO OHSAS 18001 2007 and Standard 100 by OEKO-TEX.

Disclaimer

The information in this release has been included in good faith and is for general purposes only. It should not be relied upon for any specific purpose and no representation or warranty is given as regards to its accuracy or completeness. No information in this release shall constitute an invitation to invest in Filatex India Ltd. or any of its affiliates. Neither Filatex India Ltd., nor their or their affiliates' officers, employees or agents shall be liable for any loss, damage or expense arising out of any action taken based on this release, including, without limitation, any loss of profit, indirect, incidental or consequential loss.

A brief Profile of Shri Ashok Chauhan:

- B.E. (Mech) and Master degree in Business Administration.
- Awarded Gold medal for the best student of the college of 1968-1973 batch and also received Best Sportsman award in college
- Vast experience in marketing, project management, general and overall operation, corporate planning, risk evaluation & business investment strategies
- 45 years of experience in diverse industry segments like Pulp & Paper, Chemicals, Engineering Consultancy, Polyester Film, PET Filament, Hydro Power Plants, Solar/ Wind / Renewable Energy, Real Estate Development & Construction, etc.