



FILATEX INDIA LIMITED

CIN No.L17119DN1990PLC000091

FIL/SE/2020-21/31
7th November, 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 its meeting held on 7th November, 2020 have, inter alia, considered and approved the Unaudited Financial Results for the quarter and half year ended 30th September, 2020. A copy of the said results 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 half year ended 30th September, 2020 are 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 half year ended 30th September, 2020.

Further, the Board of Directors of the Company, in the said meeting, approved the appointment of Mr. Madhav Bhageria, Joint Managing Director as Chief Financial Officer of the Company with effect from 07.11.2020. His profile is enclosed.

This is for your information and records please.

Thanking You,

Yours Faithfully,
For FILATEX INDIA LIMITED

COMPANY SECRETARY

Encl.: a/a

CORPORATE OFFICE

Bhageria House
43 Community Centre
New Friends Colony
New Delhi - 110025, India
P +91.11.26312503,26848633/44
F +91.11.26849915
E fildelhi@filatex.com

REGD. OFFICE & WORKS

S. No. 274 Dermni Road
Dadra - 396193
U.T. of Dadra & Nagar Haveli
India
P +91.260.2668343/8510
F +91.260.2668344
E fildadra@filatex.com

SURAT OFFICE

Bhageria House
Ring Road
Surat - 395002
India
P +91.261.4030000
F +91.261.2310796
E filurat@filatex.com

MUMBAI OFFICE

321, Maker Chamber - V
Nariman Point
Mumbai - 400021
India
P +91.22.22026005/06
F +91.22.22026006
E filmumbai@filatex.com

Website: www.filatex.com

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 Half Year ended September 30, 2020

		(Rs. In Lakhs)					
Sl. No.	PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Revenue from operations	50,779	14,501	68,023	65,280	137,704	278,207
II	Other Income	146	95	219	236	541	1,242
III	Total Income (I + II)	50,925	14,596	68,242	65,516	138,245	279,449
IV	Expenses :						
	(a) Cost of Materials consumed	37,264	7,999	58,398	45,263	111,444	221,790
	(b) Purchases of Stock-in-trade	452	1,149	841	1,601	2,355	3,770
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	960	3,234	(5,480)	4,194	(3,562)	(4,160)
	(d) Employee benefits expense	1,608	869	1,836	2,477	3,570	7,466
	(e) Finance costs	1,887	1,778	948	3,665	2,197	6,129
	(f) Depreciation and amortisation expense	1,443	1,424	1,192	2,867	2,319	5,127
	(g) Other expenses	6,043	1,871	7,199	7,909	13,527	27,128
	Total Expenses	49,657	18,324	64,934	67,976	131,850	267,250
V	Profit / (Loss) before exceptional items and tax (III - IV)	1,268	(3,728)	3,308	(2,460)	6,395	12,199
VI	Exceptional items	-	-	-	-	-	-
VII	Profit / (Loss) before tax (V - VI)	1,268	(3,728)	3,308	(2,460)	6,395	12,199
VIII	Tax expense						
	(a) Current Tax	-	-	450	-	1,114	2,129
	(b) Deferred Tax Expense/(Credit)	329	(930)	(3,326)	(601)	(2,906)	(2,078)
	Total Tax Expense	329	(930)	(2,876)	(601)	(1,792)	51
IX	Net Profit/(Loss) after tax for the period (VII - VIII)	939	(2,798)	6,184	(1,859)	8,187	12,148
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	1	-	4	1	1	2
	Income tax relating to items not to be reclassified to profit or loss	-	-	(1)	-	-	(1)
XI	Total Comprehensive Income for the period (Comprising Profit/(Loss) and other comprehensive income for the period (IX + X))	940	(2,798)	6,187	(1,858)	8,188	12,149
XII	Paid-up equity share capital (Face value of Rs. 2/- each)	4,416	4,416	4,394	4,416	4,394	4,394
XIII	Other Equity						55,095
XIV	Earnings per equity share (EPS) (Face value of Rs. 2/- each) (not annualised):						
	- Basic (Rs.)	0.43	(1.27)	2.82	(0.84)	3.73	5.53
	- Diluted (Rs.)	0.42	(1.27)	2.79	(0.84)	3.70	5.48



STATEMENT OF ASSETS AND LIABILITIES		(Rs. in Lakhs)	
Particulars		As at 30.09.2020	As at 31.03.2020
		(Unaudited)	(Audited)
A.	ASSETS		
1	Non - Current Assets		
	a) Property, Plant and Equipment	111,576	111,529
	b) Right of Use Assets	3,997	4,142
	c) Capital work in progress	3,360	2,510
	d) Other Intangible assets	89	68
	e) Intangible assets under Development	-	-
	f) Financial Assets		
	i) Investments	3	3
	ii) Loans	66	59
	iii) Other Financial Assets	20	470
	g) Income tax assets (net)	36	38
	h) Other non-current assets	2,786	2,879
	Total Non-Current Assets	121,933	121,698
2	Current Assets		
	a) Inventories	13,239	17,174
	b) Financial Assets		
	i) Investments	12,101	-
	ii) Trade receivables	7,895	11,865
	iii) Cash & Cash Equivalents	2,651	312
	iv) Bank balances (other than cash and cash equivalents)	2,906	1,865
	v) Loans	62	157
	vi) Other Financial assets	1,442	1,693
	c) Other current assets	8,930	7,379
	Total Current Assets	49,226	40,445
TOTAL - ASSETS		171,159	162,143
B.	EQUITY AND LIABILITIES		
1	EQUITY		
	a) Equity Share Capital	4,416	4,394
	b) Other Equity	53,243	55,095
	Total Equity	57,659	59,489
2	Non - Current Liabilities		
	a) Financial Liabilities		
	i) Borrowings	59,287	61,145
	ii) Lease liabilities	200	323
	iii) Other financial liabilities	123	117
	b) Provisions	802	724
	c) Deferred tax liability (Net)	3,181	3,782
	d) Other Non current liabilities	2,544	2,604
	Total Non-Current Liabilities	66,137	68,695

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3	Current Liabilities		
	a) Financial Liabilities		
	i) Borrowings	542	5,753
	ii) Lease liabilities	25	36
	iii) Trade Payables		
	Total Outstanding Dues of Micro Enterprises and Small Enterprises	548	23
	Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	32,706	18,581
	iv) Other financial liabilities	12,239	8,027
	b) Other current liabilities	958	1,194
	c) Provisions	345	312
	d) Income tax liabilities (net)	-	33
	Total Current Liabilities	47,363	33,959
	TOTAL - EQUITY AND LIABILITIES	171,159	162,143

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STATEMENT OF CASH FLOW FOR THE PERIOD ENDED SEPTEMBER 30, 2020

(Rs. In Lakhs)

Particulars	For the Half year ended September 30, 2020	For the Half year ended September 30, 2019
Cash flow from operating activities		
Net profit / (loss) before tax	(2,460)	6,395
Adjustments for:		
- Depreciation/amortization	2,867	2,319
- Loss/(profit) on Property, Plant & Equipment sold/discarded (net)	-	6
- Employee Stock Option expense	25	21
- Remeasurement of Employee Benefit Expenses	1	1
- Unrealised foreign exchange Loss/ (profit) (net)	955	-
- Unrealised Marked to Market (Gain)/Loss	6	(144)
- Provisions/liabilities no longer required, written back (net)	10	83
- Processing Fees on Long term Loans	222	(16)
- Exceptional Items (Profit on sale of land)	-	199
- Interest expense	1,483	1,268
- Interest income	(119)	(212)
- Dividend income	-	(41)
Operating profit before working capital changes	2,990	9,879
Movements in working capital :		
Decrease/ (increase) in trade receivables	3,987	(1,427)
Decrease/ (increase) loans and advances/other current assets	(601)	1,539
Decrease/ (increase) in inventories	3,934	(3,057)
Increase / (decrease) in trade & other payable / provisions	15,317	3,102
Cash generated from operations	25,627	10,036
Direct taxes paid	(318)	(1,693)
Net cash flow from operating activities (a)	25,309	8,343
Cash flow from investing activities		
Purchase of Property, Plant & Equipment (Including Capital Advances & CWIP)	(3,344)	(12,542)
Proceeds from sale of Property, Plant & Equipment (Including advances received)	-	17
(Increase)/Decrease in deposits	(1,061)	(439)
Interest received	268	173
Dividend received	-	41
Net cash flow from/(used in) investing activities (b)	(4,137)	(12,750)
Cash flow from financing activities		
Share Application Money/Share Capital (Including Share Premium) received	4	49
Proceeds from long-term borrowings from banks	5,319	10,560
Repayment of long term borrowings to Banks	(2,164)	(2,567)
Repayment of long term borrowings to others	(3,230)	(4,691)
Net Proceeds/(repayment) from/of short-term borrowings	(5,211)	128
Payment of Lease Liabilities	(24)	-
Interest paid	(1,426)	(1,208)
Net cash flow from/(used in) in financing activities (c)	(6,732)	2,271
Net increase/(decrease) in cash and cash equivalents (a + b + c)	14,440	(2,136)
Cash and cash equivalents at the beginning of the year	312	2,415
Cash and cash equivalents at the end of the year *	14,752	279

* Cash and cash equivalents includes Investment in liquid funds amounting to Rs. 12,101 Lakhs



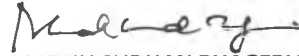
Notes:-

- 1 The above results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on November 07, 2020 and have 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 report does not have any qualification/modification.
- 2 The operations of the Company relate to single segment i.e. manufacture and trading of Synthetic Yarn and Textiles.
- 3 During the previous quarter ended June 30, 2020, the Company allotted 11,33,000 equity shares of Rs. 2/- each fully paid up under Employee Stock Option Scheme, 2015 (ESOS 2015) of the Company to the eligible employees. Consequently, the issued and paid up share capital of the Company as on September 30, 2020 stands increased to Rs. 4,416.36 lacs.
- 4 The Company's operations have been adversely impacted by the outbreak of COVID-19 pandemic and the consequent lockdown announced by the Government of India due to which the operations were suspended for part of the quarter ended June 30, 2020 and gradually resumed with requisite precautions. The results for the quarter and Half year ended September 30, 2020 are, therefore not comparable with those for the previous periods. The company has made an assessment of the recoverability of assets such as inventories, trade receivables, contract assets and their estimated cost to completion and other assets, based on current indicators of future economic conditions, the Company expects to recover the carrying amounts of its assets. The impact of the global health pandemic COVID-19, may be different from the presently estimated and would be recognised in the financial statements when material changes to economic conditions arise.
- 5 The figures for the corresponding previous periods have been regrouped wherever necessary to make them comparable.

Place: New Delhi

Dated: November 07, 2020

On behalf of the Board of Directors


MADHU SUDHAN BHAGERIA

CHAIRMAN & MANAGING DIRECTOR

DIN NO. 00021934



R N Marwah & Co LLP
4, 80, Janpath Rd
Janpath, Connaught Place, New Delhi
Delhi – 110001

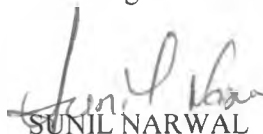
Arun K Gupta & Associates
D-58, First Floor,
East of Kailash, New Delhi
Delhi - 110065

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of 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 September 30, 2020 and year to date from April 01, 2020 to September 30, 2020 ('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 aforesaid 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 R N MARWAH & Co LLP
Chartered Accountants
Firm Registration No.: 001211N/N500019



SUNIL NARWAL
Partner
Membership No.: 511190



UDIN: 20511190AAAAAW3489

Place: New Delhi
Date: 07-11-2020

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


GIREESH KUMAR GOENKA
Partner
Membership No.: 096655



UDIN: 20096655AAAAAN7946

Place: New Delhi
Date: 07-11-2020

Date: November 7, 2020

FINANCIAL PERFORMANCE FOR THE QUARTER & HALF YEAR ENDED SEPTEMBER 30, 2020

New Delhi, India: November 7, 2020 – Filatex India Ltd (NSE: FILATEX; BSE: 526227), is in the business of manufacturing synthetic filament yarns having a wide range of products. Filatex India announced Q2FY21 & H1FY21 unaudited results on November 7, 2020.

Financial Highlights – Q2FY21 vs Q2FY20:

- ✓ Revenue of INR 507.8 Cr against INR 680.2 Cr
- ✓ EBITDA stands at INR 44.5 Cr (8.77%) against INR 52.3 Cr (7.69%)
- ✓ Net Profit stands at INR 9.4 Cr against INR 61.8 Cr
- ✓ Sales quantity for the quarter is 75,234 MT against 76,072 MT

Financial Highlights – H1FY21 vs H1FY20:

- ✓ Revenue of INR 652.8 Cr against INR 1377.0 Cr
- ✓ EBITDA stands at INR 38.4 Cr against INR 103.7 Cr
- ✓ Net Profit / (Loss) stands at INR (18.6) Cr against INR 81.9 Cr
- ✓ Sales quantity for the half year is 95,673 MT against 1,48,598 MT

Message from Management

Commenting on the performance for the quarter ended on 30.09.2020, Mr. Madhu Sudhan Bhageria, Chairman & Managing Director, Filatex, said, the company is witnessing an improvement in demand as the markets continues to recover from the slowdown caused by the pandemic. In September 2020, we achieved yarn capacity utilization of above 90%. Our EBITDA % improved on a YoY basis from 7.69% to 8.77% due to an increase in the share of value-added products like drawn textured yarn.

Going forward, we expect further improvement in margins as the country returns to normalcy post the gradual relaxation of the lockdown. With the commencement of our DTY project on 31st August 2020, we expect our EBITDA margins to improve further.

We are currently in the process of setting up a 30 MW captive power plant at our Dahej unit. The project is well underway and we are targeting commissioning by April 2021. The annual impact of savings in energy costs, upon completion of the project, will be in the magnitude of Rs. 45 to 50 crores annually.

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 on the basis of this release, including, without limitation, any loss of profit, indirect, incidental, or consequential loss.

PROFILE OF MR. MADHAV BHAGERIA

1. 35 years of rich experience in diverse business areas - marketing, operations, insurance and contracts.
2. Guiding the finance team as interim CFO.
3. An ardent supporter of quality education, he is the Promoter Director of Tapti Valley Education Foundation, an international school in Surat.
4. Commerce graduate from Hindu College, Delhi University