

## Independent Auditors' Report

### To Board of Directors of Lakhotia Polyesters (India) Limited

#### Report on the audit of the Standalone Annual Financial Results

#### Opinion

We have audited the accompanying standalone annual financial results of Lakhotia Polyesters (India) Limited (hereinafter referred to as 'the Company') for the year ended 31 March 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the quarter and year ended 31<sup>st</sup> March, 2022:

- (a) are 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 year ended 31 March 2022.

#### 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 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.



## **Independent Auditors' Report (Continued)**

### **Lakhotia Polyesters (India) Limited**

#### **Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results**

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

The Company's Management and the Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss 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 standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are 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 is responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone annual 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 standalone annual financial results.



## **Independent Auditors' Report (Continued)**

### **Lakhotia Polyesters (India) Limited**

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 standalone annual 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and 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 appropriateness of this assumption. 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 standalone annual 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 standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.



## Independent Auditors' Report (*Continued*)

### Lakhotia Polyesters (India) Limited

#### Auditor's Responsibilities for audit of the Standalone Financial Results (*Continued*)

Materiality is the magnitude of misstatements In the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

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.

#### Other Matters

- The standalone annual financial results include the results for the quarter ended 31<sup>st</sup> March 2022, being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the end of the third quarter of the current financial year which were subject to limited review by us.

For Jain Chhajed & Associates  
Chartered Accountants  
Firm Registration No – 127911W



CA Dinesh Burad  
Partner  
Membership No.151551  
UDIN: 22151551AJQYSE8197



Place: Nashik  
Date: 26<sup>th</sup> May, 2022

**LAKHOTIA POLYESTERS (INDIA) LIMITED**  
**CIN - L17120MH2005PLC155146**

**Statement of Audited Standalone Financial Results for the Quarter and Year ended March 31, 2022**

*INR (In Lakhs)*

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		Audited	(Unaudited)	Audited	Audited	Audited
<b>1</b>	<b>INCOME</b>					
	(a) Revenue from Operations	892.87	20.84	536.59	2,021.19	1,593.93
	(b) Other Income	31.45	6.58	14.39	69.33	40.29
	<b>Total Revenue</b>	<b>924.33</b>	<b>27.42</b>	<b>550.97</b>	<b>2,090.52</b>	<b>1,634.22</b>
<b>2</b>	<b>EXPENSES</b>					
	(a) Cost of Material Consumed	820.82	65.66	498.18	1,929.35	1,572.55
	(b) Changes in inventories of work-in-progress, stock-in-trade and finished goods	35.12	(53.31)	19.50	7.37	(51.51)
	(c) Employee Benefits Expenses	9.12	6.11	7.15	28.51	29.60
	(d) Finance Costs	16.76	18.95	7.90	53.59	32.65
	(e) Depreciation and Amortization Expenses	3.11	3.16	3.34	12.49	14.44
	(f) Other Expenses	49.24	3.80	31.23	107.89	87.07
	<b>Total Expenses</b>	<b>934.16</b>	<b>44.37</b>	<b>567.32</b>	<b>2,139.19</b>	<b>1,684.80</b>
<b>3</b>	<b>Profit Before Exceptional Item &amp; Tax (1-2)</b>	<b>(9.84)</b>	<b>(16.95)</b>	<b>(16.34)</b>	<b>(48.67)</b>	<b>(50.58)</b>
<b>4</b>	Exceptional Item	-	-	-	-	-
<b>5</b>	<b>Profit Before Tax (3-4)</b>	<b>(9.84)</b>	<b>(16.95)</b>	<b>(16.34)</b>	<b>(48.67)</b>	<b>(50.58)</b>
<b>6</b>	<b>Tax Expense Charge / (Credit)</b>					
	(a) Current Tax	-	-	-	-	-
	(b) Deferred Tax	(0.75)	(0.55)	(0.93)	(2.26)	(2.27)
	<b>Total Tax Expenses</b>	<b>(0.75)</b>	<b>(0.55)</b>	<b>(0.93)</b>	<b>(2.26)</b>	<b>(2.27)</b>
<b>7</b>	<b>Net Profit for the period (5-6)</b>	<b>(9.09)</b>	<b>(16.40)</b>	<b>(15.42)</b>	<b>(46.41)</b>	<b>(48.31)</b>
<b>8</b>	<b>Other Comprehensive Income</b>					
	Net changes in fair values of investments in equity shares carried at fair values through OCI	(7.03)	(5.90)	13.02	53.87	(0.42)
	Profit/(Loss) on Sale of Equity Shares held as Investment	(1.24)	-	-	(4.18)	(0.72)
<b>9</b>	<b>Total Comprehensive Income / (Loss) for the period / year (7+8)</b>	<b>(17.36)</b>	<b>(22.30)</b>	<b>(2.39)</b>	<b>3.28</b>	<b>(49.45)</b>
<b>10</b>	Paid-up Equity Share Capital (Face Value - Rs. 10/- per share)	1,047.40	1,047.40	1,047.40	1,047.40	1,047.40
<b>11</b>	<b>Earning per Equity Share (EPS)* (Face value of Rs. 10 each)</b>					
	Basic EPS	(0.17)	(0.21)	(0.02)	0.03	(0.47)
	Diluted EPS	(0.17)	(0.21)	(0.02)	0.03	(0.47)

\* Not annualised, except year end Basic and Diluted EPS

**For Lakhota Polyesters India Ltd**

*Cy. S. L. Lakhota*

DIRECTOR



**LAKHOTIA POLYESTERS (INDIA) LIMITED**

**CIN - L17120MH2005PLC155146**

**Audited Standalone Statement of Assets & Liabilities as on March 31, 2022**

*INR (In Lakhs)*

Sr. No.	Particulars	As at	As at
		March 31, 2022	March 31, 2021
		Audited	Audited
	<b>ASSETS</b>		
<b>1</b>	<b>Non-Current Assets</b>		
	(a) Property, Plant and Equipment	17.64	28.25
	(b) Capital work-in-progress	-	-
	(c) Investment Properties	-	-
	(d) Intangible Assets	-	-
	(e) Financial Assets	-	-
	(i) Investments	0.01	0.01
	(ii) Loans & Advances	-	2.19
	(iii) Trade Receivables	-	-
	(iv) Other Financial Assets	0.90	0.90
	(f) Deferred Tax Assets	14.83	12.56
	(g) Other Non-Current Assets	61.01	120.76
	<b>Total Non-Current Assets</b>	<b>94.39</b>	<b>164.68</b>
<b>2</b>	<b>Current Assets</b>		
	(a) Inventories	427.27	564.97
	(b) Financial Assets		
	(i) Investments	81.61	62.64
	(ii) Trade Receivables	1,389.66	872.02
	(iii) Cash and Cash Equivalents	10.18	11.98
	(iv) Bank balances other than (iii) above	-	-
	(v) Loans & Advances	2.96	-
	(vi) Other Financial Assets	11.71	4.33
	(c) Current Tax Assets (Net)	18.68	33.53
	(d) Other Current Assets	-	-
	<b>Total Current Assets</b>	<b>1,942.08</b>	<b>1,549.47</b>
	<b>Total Assets (1+2)</b>	<b>2,036.48</b>	<b>1,714.15</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>EQUITY</b>		
	(a) Equity Share Capital	1,047.40	1,047.40
	(b) Other Equity	(292.77)	(296.05)
	<b>Total Equity</b>	<b>754.63</b>	<b>751.35</b>
	<b>LIABILITIES</b>		
<b>2</b>	<b>Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	33.63	68.07
	(ia) Lease Liabilities	-	-
	(ii) Trade Payables	-	-
	(iii) Other Financial Liabilities	-	-
	(b) Other Non-Current Liabilities	-	-
	(c) Provisions	2.63	2.25
	(d) Deferred Tax Liabilities	-	-
	<b>Total Non-Current Liabilities</b>	<b>36.26</b>	<b>70.32</b>
<b>3</b>	<b>Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	708.70	491.60
	(ia) Lease Liabilities	-	-
	(ii) Trade Payables		
	- Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-
	- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	529.52	387.51
	(iii) Other Financial Liabilities	-	-
	(b) Provisions	1.60	1.67
	(c) Current Tax Liabilities (Net)	-	-
	(d) Other Current Liabilities	5.77	11.70
	<b>Total Current Liabilities</b>	<b>1,245.58</b>	<b>892.49</b>
	<b>Total Equity &amp; Liabilities (1+2+3)</b>	<b>2,036.48</b>	<b>1,714.15</b>

**For Lakhota Polyesters India Ltd**

*Cy.S.L. dehati*



**DIRECTOR**

**LAKHOTIA POLYESTERS (INDIA) LIMITED****CIN - L17120MH2005PLC155146****Audited Standalone Statement of Cash Flow as on March 31, 2022***INR (In Lakhs)*

Sr. No.	Particulars	As at	
		31.03.2022	31.03.2021
		Audited	Audited
<b>1</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit before Income Tax	(48.67)	(50.58)
	<u>Adjustments for:</u>		
	Depreciation & Amortization Expenses	12.49	14.44
	Interest Income	-	-
	Finance Cost	53.59	32.65
	Profit on Sale of Property, Plant & Equipments	(2.23)	-
	Adjustment of Other Comprehensive Income	(0.39)	(1.14)
	<b>Operating Profit before Working Capital Changes</b>	<b>14.78</b>	<b>(4.63)</b>
	<b>Changes in Operating Assets &amp; Liabilities:</b>		
	(Increase) / Decrease in Financial Assets	(525.79)	410.78
	(Increase) / Decrease in Non Financial Assets	14.85	(7.35)
	(Increase) / Decrease in Non Current Assets	59.75	-
	(Increase) / Decrease in Inventories	137.69	(75.90)
	Increase / (Decrease) in Financial Liabilities	142.01	(301.59)
	Increase / (Decrease) in Non Financial Liabilities	(5.62)	4.27
	<b>Cash Generated from Operations</b>	<b>(162.33)</b>	<b>25.59</b>
	Income Taxes Paid	-	5.03
	<b>Net Cash Flows from Operating Activities</b>	<b>(162.33)</b>	<b>20.56</b>
<b>2</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Property, Plant & Equipments	(1.88)	(0.54)
	Proceeds from Sale of Investments	31.73	25.00
	Purchase of Investments	(0.63)	-
	Proceeds from Sale of Property, Plant & Equipments	2.23	-
	Interest Income	-	-
	<b>Net Cash Flows from Investing Activities</b>	<b>31.46</b>	<b>24.46</b>
<b>3</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from Long Term Borrowings	(34.45)	68.07
	Proceeds from Short Term Borrowings	217.10	(78.76)
	Finance Cost	(53.59)	(32.65)
	<b>Net Cash Inflows from Financing Activities</b>	<b>129.07</b>	<b>(43.34)</b>
	<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(1.81)</b>	<b>1.68</b>
	<b>Cash &amp; Cash Equivalents at the Beginning of the Year</b>	<b>11.98</b>	<b>10.30</b>
	<b>Cash &amp; Cash Equivalents at the End of the Year</b>	<b>10.18</b>	<b>11.98</b>

**For Lakhotia Polyesters India Ltd**

C.S.L. dehoir

DIRECTOR



**Notes:**

1. The above audited standalone financial results which are published in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 26, 2022. The above results have been audited by the statutory auditors of the Company.
2. The audited standalone financial results are in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013.
3. The Company is engaged in the business of manufacturing and selling of Metallic Yarn & Textile Fabrics. The Company has only one operating segment, hence disclosure under Ind AS 108 on "Operating Segments" is not applicable.
4. The figures of the last quarter are the balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures upto the third quarter of the respective financial years.
5. The statutory auditors of Lakhotia Polysters (India) Limited have expressed an unqualified opinion on the audited standalone financial results for the year ended March 31, 2022.
6. Previous period figures have been regrouped, re-arranged and re-classified wherever necessary to conform to current period's classification.



**By Order of the Board  
For Lakhotia Polysters (India) Limited**

*M. S. Lakhotia*

**M. S. Lakhotia  
Managing Director  
DIN – 104576**

**Place: Nashik  
Date: 26<sup>th</sup> May, 2022**