

July 27, 2020

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai – 400001

Scrip Code: 514322

Sub.: Outcome of Board Meeting

Dear Sir/Madam,

We wish to inform you that the Board of Directors (**'the Board'**) of the Company at their meeting held today, *inter alia* approved the audited Financial Results for the quarter and year ended March 31, 2020. A copy of audited Financial Results for the quarter/year ended March 31, 2020 along with Auditors' Report on the audited Financial Results pursuant to Regulation 33 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**'Listing Regulations'**) is enclosed herewith.

We hereby state that the statutory auditors have issued Audit Report with unmodified opinion on annual audited Financial Results of the Company for the year ended March 31, 2020.

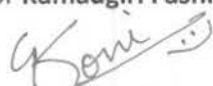
Please note that the trading window for dealing in securities of the Company continues to remain closed as intimated to you in our letter dated June 30, 2020.

The meeting of the Board commenced at 11.45 a.m. and concluded at 12.15 p.m.

Kindly take the above on record.

Thanking you,

Yours faithfully,
For **Kamadgiri Fashion Limited**


Gaurav K. Soni
Company Secretary

Encl.: a/a



Kamadgiri Fashion Limited

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

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED MARCH 31, 2020						
Particulars		QUARTER ENDED			YEAR ENDED	
		31-MAR-2020	31-Dec-2019	31-MAR-2019	31-MAR-2020	31-MAR-2019
		AUDITED	UNAUDITED	AUDITED	AUDITED	
		Refer Note-8		Refer Note-8		
PART-I						
1	Income From Operations					
	a) Income from Operations	7,362.88	6,271.29	8,685.65	29,303.99	31,909.14
	b) Other Income	19.25	2.13	31.62	34.36	39.53
	Total Income from operations	7,382.13	6,273.42	8,717.27	29,338.35	31,948.67
2	Expenses					
	a) Cost of materials consumed	3,201.44	3,173.56	3,199.16	13,395.11	13,954.93
	b) Purchase of Stock-in-trade	1,060.14	824.54	1,333.90	4,634.21	5,763.38
	c) Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	412.73	15.01	646.57	477.23	(473.65)
	d) Employees benefits expense	1,056.46	985.72	959.58	4,114.18	3,914.21
	e) Finance Costs	280.02	172.57	211.97	783.15	723.82
	f) Depreciation and amortisation expense	221.94	184.20	106.46	722.92	448.73
	g) Job Charges	625.81	530.73	1,011.09	2,764.63	3,533.52
	h) Other expenses	731.77	672.27	929.82	2,934.94	3,346.70
	Total Expenses	7,590.31	6,558.60	8,398.55	29,826.37	31,211.64
3	Profit/(Loss) before exceptional Items tax (1-2)	(208.18)	(285.18)	318.72	(488.02)	737.03
4	Exceptional Items (refer note no. 5)	53.40	-	-	53.40	-
5	Profit / (Loss) Before Tax	(261.58)	(285.18)	318.72	(541.42)	737.03
4	Tax Expense					
	Current Tax	-	(49.22)	124.00	-	331.00
	Deferred Tax	(72.29)	(25.50)	(16.92)	(145.74)	(84.44)
	Tax Adjustment for earlier	-	-	19.29	-	19.29
5	Profit /(Loss) for the period/year (3-4)	(189.29)	(210.46)	192.35	(395.68)	471.18
6	Other Comprehensive Income :					
	A (i) Items that will not be reclassified to profit or loss	23.45	0.87	(5.23)	26.04	3.45
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(5.90)	(0.22)	1.85	(6.55)	(1.15)
	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					
7	Total Comprehensive Income for the period/year (Comprising Profit (Loss) and Other Comprehensive Income for the period/year) (5+6)	(171.74)	(209.81)	188.97	(376.19)	473.48
8	Paid-up equity share capital (Face Value ₹ 10/- each)	586.94	586.94	586.94	586.94	586.94
9	Other Equity (Excluding revaluation reserve)				3,283.45	3,801.14
10	Earning per share (of ₹ 10/- each) (not annualised)					
	(a) Basic	(3.22)	(3.59)	3.28	(6.74)	8.03
	(b) Diluted	(3.22)	(3.59)	3.28	(6.74)	8.03





Kamadgiri Fashion Limited

Notes :

1. Statement of Assets & Liabilities.

Particulars	(₹ in Lakhs)	
	As at	As at
	31-Mar-20	31-Mar-19
	Audited	
ASSETS		
1. Non-Current Assets		
Property, Plant and Equipment	3,058.06	2,645.56
Capital work-in-progress	28.47	139.07
Right of use Assets	1,262.40	-
Investment property	39.82	40.59
Intangible Assets	30.75	21.80
Intangible Assets under development	37.76	-
Financial Assets		
Other financial assets	208.36	111.47
Deferred tax assets (Net)	67.30	-
Current tax assets (Net)	39.69	-
Other non current assets	22.94	49.52
Total Non-Current Assets	4,795.55	3,008.01
2. Current Assets		
Inventories	5,540.45	5,888.25
Financial Assets		
Trade Receivables	4,634.60	5,602.93
Cash and Cash Equivalents	18.22	3.83
Bank Balances other than Cash and Cash Equivalents	51.45	45.25
Loans	18.43	12.21
Other financial assets	107.97	172.41
Other Current Assets	480.80	364.61
Total Current Assets	10,851.92	12,089.49
Total Assets	15,647.47	15,097.50
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	586.94	586.94
Other Equity	3,283.45	3,801.14
Total Equity	3,870.39	4,388.08
Liabilities		
1. Non-Current Liabilities		
Financial Liabilities		
Borrowings	424.39	211.05
Lease Liability	997.21	-
Other financial liabilities	517.78	518.00
Provisions	315.71	295.44
Deferred tax liabilities (Net)	-	71.89
Other non current liabilities	54.57	55.21
Total Non-Current Liabilities	2,309.66	1,151.59
2. Current Liabilities		
Financial Liabilities		
Borrowings	4,571.79	4,564.85
Lease Liability	319.41	-
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	287.86	13.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,766.42	3,317.32
Other financial liabilities	1,353.15	1,377.96
Other Current Liabilities	128.66	190.31
Provisions	40.12	54.50
Current tax liabilities (Net)	-	39.84
Total Current Liabilities	9,467.41	9,557.83
Total Equity and Liabilities	15,647.47	15,097.50





Kamadgiri Fashion Limited

2 Notes :

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

PARTICULARS	Year Ended March 31, 2020	Year Ended March 31, 2019
	Audited	
(A) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax after exceptional items	(541.40)	737.03
Adjustments for :		
Depreciation and amortisation expense	722.92	448.73
(Gain) / Loss on sale of Property, Plant and Equipments (Net)	3.03	(0.33)
Interest income	(6.78)	(1.40)
Finance costs	783.15	723.82
Allowance for Bad and Doubtful Debts	(12.20)	(26.77)
	1,490.12	1,144.05
Operating Profit before Working Capital changes	948.72	1,881.08
Movement in working capital :		
(Increase)/Decrease in Inventories	347.80	(640.10)
(Increase)/Decrease in Trade Receivable	980.54	1,454.01
(Increase)/Decrease in Loans & Advances	(6.22)	(3.10)
(Increase)/Decrease in Others Financial Assets	(84.45)	22.72
(Increase)/Decrease in Other Current and Non Current Assets	(87.14)	(153.36)
Increase/(Decrease) in Trade Payable	(276.09)	(478.95)
Increase/(Decrease) in Other Current and Non-Current Liabilities	(79.98)	158.81
Increase/(Decrease) in Other financial liabilities	(52.23)	(362.64)
Increase/(Decrease) in Provisions	31.93	40.59
	774.16	37.97
Cash generated from operations	1,722.88	1,919.05
Income Tax Paid	(61.50)	(415.66)
NET CASH GENERATED FROM OPERATING ACTIVITIES	1,661.38	1,503.39
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Inflow:		
Sale of Property, Plant and Equipments	6.78	27.15
Interest Received/(Paid)	4.30	0.55
	11.08	27.70
Outflow:		
Purchase of Property, Plant and Equipments	(757.86)	(348.07)
Purchase of Intangible Assets	(46.62)	-
NET CASH GENERATED USED IN INVESTING ACTIVITIES	(793.40)	(320.37)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Inflow:		
Proceeds from Long Term Borrowings	383.75	-
Proceeds from Short Term Borrowings (Net)	(6.94)	(80.33)
	376.81	(80.33)
Outflow:		
Repayment of Long Term Borrowings	(167.28)	(264.97)
Interest Paid	(759.09)	(711.30)
Dividend Paid	(141.52)	(141.52)
Payment of Lease Liability	(162.49)	-
	(1,230.38)	(1,117.79)
NET CASH USED IN FINANCING ACTIVITIES	(853.57)	(1,198.12)
Net Increase In Cash And Cash Equivalents (A+B+C)	14.40	(15.10)
Opening Balance Of Cash And Cash Equivalents	3.83	18.93
Closing Balance Of Cash And Cash Equivalents	18.22	3.83
Notes to Cash Flow Statements:		
Cash & Cash Equivalents comprise of:		
Cash on hand	8.31	8.97
Bank Balances with Scheduled Banks:		
In Current Accounts	9.91	(5.14)
TOTAL	18.22	3.83

Note 1 : The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind-AS 7) - Statement of Cash Flow.



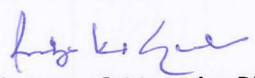


3. The above Financial Results for the quarter and year ended March 31, 2020 have been reviewed and recommended by the Audit Committee and approved by the Board at its meeting held on July 27, 2020. The Statutory Auditors have issued audit report with unmodified opinion on the financials for the year ended March 31, 2020.
4. Effective from April 1, 2019, the Company has adopted Ind AS 116 "Leases". The transition was effected using modified retrospective method. The impact of transition did not have any material impact on financial results for the quarter and year ended March 31, 2020.
5. **Exceptional Items Note:**
Write down of Inventories to the Net realizable value aggregating Rs. 53.40 Lakhs as a results of adverse impact on realisation due to Covid -19 outbreak.
6. **COVID -19 Note :**
In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. Consequent to this, Government of India declared a national lock down on March 24, 2020, which has impacted the business activities of the Company. The Company has been taking various precautionary measures to protect employees and their families from COVID-19. The Company has assessed the impact of this pandemic on its overall business operations and has considered all relevant internal and external information available up to the date of approval of these financial statements, in determination of the recoverability and carrying value of property, plant and equipment, inventory and trade receivables and in relation to other financial statement captions. The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare the Company's financial statements, which may differ from that considered as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions. Also, the Company has resumed its business activities by reopening its factories and warehouses on a gradual basis in line with the guidelines issued by the Government authorities.
7. The Company is engaged only in Textile business and there is no separate reportable segment as per IND AS 108.
8. The figures for the current quarter and the quarter ended March 31, 2019 are the balancing figures between audited figures of the full financial year ended March 31, 2020 and March 31, 2019, respectively and published year to date figures up to third quarter ended December 31, 2019 and December 31, 2018 respectively.
9. Previous year's/ period's figures have been regrouped/rearranged wherever considered necessary to make them comparable with current year's figure.

Place : Mumbai
Date : July 27, 2020



By order of the Board
For Kamadgiri Fashion Limited


Chairman & Managing Director

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Kamadgiri Fashion Limited

Report on the Audit of the Financial Results

Opinion

We have audited the accompanying annual financial results of **Kamadgiri Fashion Limited** ("the Company") for the year ended March 31, 2020 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the 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:

- (i) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2020.

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 ("Act"). Our responsibilities under those Standards 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 Statement 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.

Emphasis of Matter

We draw attention to Note 6 to the accompanying Statement, which describes the uncertainties and the management's assessment of the financial impact on the Company due to COVID-19 pandemic situation, for which a definitive assessment of the impact is highly dependent upon the circumstances as they evolve in the subsequent period.

Our opinion is not modified in respect of this matter.

Board of Directors' Responsibilities for the Financial Results

This Statement has been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net loss and other comprehensive income and other financial information of the Company in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards

Haribhakti & Co. LLP, Chartered Accountants Regn. No. AAC- 3768, a limited liability partnership registered in India (converted on 17th June, 2014 from a firm Haribhakti & Co. FRN: 103523W)
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prescribed under Section 133 of the Act read with relevant rules issued thereunder 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement 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 this Statement.

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 Statement, 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 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 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 Statement 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 Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.



Continuation Sheet

HARIBHAKTI & CO. LLP

Chartered Accountants

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 Matter

- a) On account of the COVID-19 related lockdown restrictions imposed by the government, management was able to perform year end physical verification of inventories at all their plants and warehouse subsequent to the year end. However, due to lockdown conditions we were unable to physically observe the inventory verification carried out by the management. Consequently, we have performed alternate audit procedures to obtain comfort over the existence and condition of inventory at year end, as per the guidance provided in SA-501 "Audit Evidence - Specific considerations for selected items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these statement.

Our opinion is not modified in respect of this matter.

- b) The Statement includes the results for the quarter ended March 31, 2020, being the balancing figure between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048


Sumant Sakhardande

Partner

Membership No. 034828

UDIN: 20034828AAAAEB5584



Place: Mumbai

Date: July 27, 2020