

# KONARK SYNTHETIC LIMITED

Regd.Off.:Mittal Industrial Estate, Building No.7, Andheri-Kurla Road, Saki-Naka, Andheri (East), MUMBAI 400 059  
Tel : 4089 6300 \* Fax No.4089 6322 Web: [www.konarkgroup.co.in](http://www.konarkgroup.co.in) Email : [info@konarkgroup.co.in](mailto:info@konarkgroup.co.in)  
**CIN: L17200MH1984PLC033451**

14<sup>th</sup> February, 2020

To,  
The Manager - DCS  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

Dear Sir,

**Scrip Code: 514128**

**Sub.: Outcome of the Board Meeting held today i.e. 14<sup>th</sup> February, 2020.**

1. Approved the Standalone and Consolidated Un-audited Financial Results of the Company for the quarter and nine months ended 31<sup>st</sup> December, 2019 as per the provisions of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A copy of the Standalone and Consolidated Un-Audited Financial Results for the quarter and nine months ended 31<sup>st</sup> December, 2019 and Limited Review Report received from the Statutory Auditors of the Company on the said results are enclosed herewith for your record.

2. Appointment of CS Ketan R Shirwadkar, Proprietor, M/s. KRS AND CO., Company Secretaries, Mumbai as Secretarial Auditor of the Company for financial year 2019-2020.

The meeting of the Board of Directors commenced at 4.30 p.m. and concluded at 5.15 p.m.

Kindly take the above in your record.

Thanking you,  
Yours faithfully,  
For KonarkSynthetic Limited


Mehnuddin Khan  
Company Secretary & Compliance Officer

Encl: A/a

**P.L.PANSARI** B.Com., L.L.B., (Gen), F.C.A.

**N.S.DALMIA** B.Com., F.C.A.

B - 910, Shree Nityanand CHS. Ltd., Swami Nityanand Road,  
Andheri (East), Mumbai - 400 069, Contact No. : 7738845501.

E-mail : [pansaridalmia@hotmail.com](mailto:pansaridalmia@hotmail.com)

**PANSARI & DALMIA**

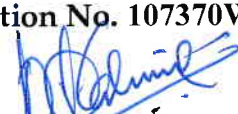
CHARTERED ACCOUNTANTS

Independent Auditors' Limited Review Report to the Board of Directors of **KONARK SYNTHETIC LIMITED** on unaudited financial results for the quarter and nine months ended 31<sup>st</sup> December, 2019.

1. We have reviewed the accompanying statement of unaudited Standalone financial results ("the Statement") of Konark Synthetic Limited ("the Company") for the quarter and nine months ended 31<sup>st</sup> December, 2019, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations").
2. This 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.
3. We conducted our review 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 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,
4. Based on our review conducted as above, except that being informed, the Company is in the process of assessment for diminution in the value of its investment in subsidiary (Rs. 848.88 Lakhs as on 31.03.2019 and same as on 31.12.2019), thus accordingly, we are unable to determine the same and its effect on financial statements if any', 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.

For Pansari & Dalmia  
Chartered Accountants  
Registration No. 107370W



  
Naresh S. Dalmia  
Partner

Membership No. 035036

Place: Mumbai

Date: 14<sup>th</sup> February, 2020

UDIN:

(Rupees in Lakh except for EPS)

Sr. No.	Particulars	Quarter Ended			Nine Month Ended		Year Ended
		31-12-19	30-09-19	31-12-18	31-12-19	31-12-18	31-03-19
		Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Audited
I	Revenue from Operations	1,856.40	2,014.01	1,818.50	5,928.81	6,108.38	7,762.53
II	Other Income	16.81	15.98	42.23	48.67	111.68	116.52
III	<b>Total Income (I+II)</b>	<b>1,873.21</b>	<b>2,029.99</b>	<b>1,860.73</b>	<b>5,977.47</b>	<b>6,220.06</b>	<b>7,879.05</b>
IV	<b>EXPENSES :-</b>						
	Cost of material consumed	144.57	201.01	217.73	640.25	1,081.39	1,373.25
	Purchases of stock-in-trade	1,348.49	1,353.42	957.59	3,739.86	3,042.04	4,444.47
	Changes in inventories of finished goods ,stock -in- trade and work -in-progress	20.08	68.61	220.79	357.14	397.49	(150.12)
	Employees benefit expenses	188.17	192.59	191.06	573.90	582.12	819.93
	Finance cost	112.55	111.41	96.50	332.48	295.50	403.98
	Depreciation and amortisation expenses	69.83	70.42	70.90	210.04	205.60	262.17
	Impairment	241.37	-	-	241.37	-	12.25
	Other Expenses	166.54	174.95	166.77	540.93	695.07	886.35
	<b>Total Expenses (IV)</b>	<b>2,291.60</b>	<b>2,172.41</b>	<b>1,921.35</b>	<b>6,635.96</b>	<b>6,299.22</b>	<b>8,052.29</b>
V	Profit /Loss before exceptional items and tax (III-IV)	(418.39)	(142.41)	(60.62)	(658.49)	(79.16)	(173.24)
VI	Share in Profit/(Loss) in Equity Accounted Investments(Net of Tax)	-	-	-	-	-	-
VII	Exceptional items / Extraordinary Items	-	-	-	-	-	-
VIII	Profit/(loss) before tax (V-VI-VII)	(418.39)	(142.41)	(60.62)	(658.49)	(79.16)	(173.24)
IX	Tax expenses :						
	(a) Current tax	-	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-	(21.94)
X	Profit / (Loss) for the period from continuing operations (VIII-IX)	(418.39)	(142.41)	(60.62)	(658.49)	(79.16)	(151.30)
XI	Profit / (loss) from discontinued operations	-	-	-	-	-	-
XII	Tax expenses from discontinued operations	-	-	-	-	-	-
XIII	Profit/(loss) from discontinued operations (XI-XII)	-	-	-	-	-	-
XIV	Profit/(loss) for the period (X-XIII)	(418.39)	(142.41)	(60.62)	(658.49)	(79.16)	(151.30)
XV	Other Comprehensive Income						
	(a) Items that will not be reclassified to Profit & Loss	-	-	-	-	-	-
	i) Remeasurements of post-employment benefit plan	-	-	-	-	-	-
	ii) Changes in fair value of equity instruments designated through OCI	-	-	-	-	-	-
	iii) Tax relating to these items	-	-	-	-	-	-
	(b) Items that will be reclassified to Profit & Loss	-	-	-	-	-	-
	i) Changes in fair value of debt instruments	-	-	-	-	-	-
	ii) Tax relating to these items	-	-	-	-	-	-
XV	Total Comprehensive Income for the period	(418.39)	(142.41)	(60.62)	(658.49)	(79.16)	(151.30)
XVI	Paid up Equity Share Capital (Face Value of Rs.10/- per Equity Share)	580.80	580.80	580.80	580.80	580.80	580.80
XVII	Earning per equity share						
	(1) Basic	(7.20)	(2.45)	(1.04)	(11.34)	(1.36)	(2.61)
	(2) Diluted	(7.20)	(2.45)	(1.04)	(11.34)	(1.36)	(2.61)

Notes:

1	The above unaudited financial results have been reviewed by the Audit committee and approved by the Board of Directors of the Company in their meetings held on 14.02.2020. The Statutory Auditors have carried out Limited Review of the same. The Statutory Auditors have expressed an unqualified opinion.																				
2	In respect of observations in the Review Report for the period ended December 31, 2019 that: 'the Company is in the process of assessment for diminution in the value of its investment in subsidiary (Rs. 848.88 Lakhs as on 31.12.2019) and hence, necessary effect if any, will be taken as and when the process gets completed. The Management does not expect any material variation in the financial statements.																				
3	Effective 01 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 01 April, 2019 using the modified retrospective method on the date of initial application. Consequently, the Company recorded the lease liability and right of use assets at the present value of the lease payments discounted at the incremental borrowings as on date of initial application. Comparatives as at and for the year ended 31 March, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March, 2019. Ind AS 116 will result in an increase in cash inflows from operating activities and increase in cash outflows from financing activities on account of lease payments.																				
	<table border="1"> <thead> <tr> <th>Amount to Increase/(Decrease) in net profit</th> <th>Nine Months Ended 31.12.2019 Comparable basis</th> <th>Changes due to Ind As 116 Increase /(Decrease)</th> <th>Nine Months Ended 31.12.2019 as reported</th> </tr> </thead> <tbody> <tr> <td>Other Expenses</td> <td>564.06</td> <td>(23.13)</td> <td>540.93</td> </tr> <tr> <td>Finance Cost</td> <td>323.76</td> <td>8.72</td> <td>332.48</td> </tr> <tr> <td>Depreciation and Amortisation Expenses</td> <td>190.35</td> <td>19.69</td> <td>210.04</td> </tr> <tr> <td><b>Profit/(Loss) Before Tax</b></td> <td><b>(234.82)</b></td> <td><b>5.28</b></td> <td><b>(240.10)</b></td> </tr> </tbody> </table>	Amount to Increase/(Decrease) in net profit	Nine Months Ended 31.12.2019 Comparable basis	Changes due to Ind As 116 Increase /(Decrease)	Nine Months Ended 31.12.2019 as reported	Other Expenses	564.06	(23.13)	540.93	Finance Cost	323.76	8.72	332.48	Depreciation and Amortisation Expenses	190.35	19.69	210.04	<b>Profit/(Loss) Before Tax</b>	<b>(234.82)</b>	<b>5.28</b>	<b>(240.10)</b>
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<b>Profit/(Loss) Before Tax</b>	<b>(234.82)</b>	<b>5.28</b>	<b>(240.10)</b>																		
4	The Company has only one segment namely textile, hence no separate segmentwise disclosure has been made.																				
5	The above 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 relevant rules issued there under.																				
6	The figures of previous periods have been regrouped wherever considered necessary.																				

For Konark Synthetic Limited



Amitabh Kejriwal  
Managing Director

14 FEB 2020



**P.L.PANSARI** B.Com., L.L.B., (Gen), F.C.A.

**N.S.DALMIA** B.Com., F.C.A.

B - 910, Shree Nityanand CHS. Ltd., Swami Nityanand Road,  
Andheri (East), Mumbai - 400 069, Contact No. : 7738845501.

E-mail : [pansaridalmia@hotmail.com](mailto:pansaridalmia@hotmail.com)

**PANSARI & DALMIA**

CHARTERED ACCOUNTANTS

Independent Auditors' Limited Review Report to the Board of Directors of **KONARK SYNTHETIC LIMITED** on unaudited consolidated financial results for the quarter and nine months ended 31<sup>st</sup> December, 2019.

1. We have reviewed the accompanying statement of unaudited Consolidated financial results ("the Statement") of Konark Synthetic Limited ("the Company"), its one subsidiary and one associate (together referred to as 'the group') for the quarter and nine months ended 31<sup>st</sup> December, 2019, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations").
2. This 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.
3. We conducted our review 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 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,
4. Other matters:

We did not review the financial results of an associate whose net profit reflects an amount of Rs. 0.15 Cr. & one Subsidiary whose net loss reflects loss of Rs. 11.66 Cr. included in the consolidated financial statements, (represents Group's share) for the nine months ended December 31<sup>st</sup>, 2019 respectively. These financial statements have been certified by the respective Company's management and furnished to us, and our opinion, in so far as it relates to the amount and disclosures included in respect of the said subsidiary and associate is based solely on these certified financial statements.



5. 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.

For Pansari & Dalmia  
Chartered Accountants  
Registration No. 107370W



  
Naresh S Dalmia

Partner

Membership No. 035036

Place: Mumbai

Date: 14<sup>th</sup> February, 2020

UDIN:

Consolidated Un-audited Financial Results for the Quarter and Nine Month ended 31st December, 2019

(Rupees in Lakh except for EPS)

Sr. No.	Particulars	Quarter Ended			Nine Month Ended		Year Ended
		31-12-19	30-09-19	31-12-18	31-12-19	31-12-18	31-03-19
		Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Audited
I	Revenue from Operations	1,856.40	2,014.01	1,818.50	5,928.81	6,108.38	7,762.53
II	Other Income	16.81	15.98	42.01	48.67	111.68	116.75
III	<b>Total Income (I+II)</b>	<b>1,873.21</b>	<b>2,029.99</b>	<b>1,860.51</b>	<b>5,977.47</b>	<b>6,220.06</b>	<b>7,879.28</b>
IV	<b>EXPENSES :-</b>						
	Cost of material consumed	144.57	201.01	217.73	640.25	1,081.39	1,373.25
	Purchases of stock-in-trade	1,348.49	1,353.42	957.59	3,739.86	3,042.04	4,444.47
	Changes in inventories of finished goods ,stock -in- trade and work -in-progress	20.08	68.61	220.79	357.14	397.49	71.82
	Employees benefit expenses	189.07	193.49	191.06	576.60	582.12	825.07
	Finance cost	112.55	111.41	96.50	332.48	295.50	403.98
	Depreciation and amortisation expenses	126.74	127.33	128.28	380.77	376.81	490.44
	Impairment	241.37	-	-	241.37	-	12.25
	Other Expenses	1,150.62	176.92	166.88	1,533.08	701.55	923.92
	<b>Total Expenses (IV)</b>	<b>3,333.49</b>	<b>2,232.19</b>	<b>1,978.84</b>	<b>7,801.55</b>	<b>6,476.90</b>	<b>8,545.21</b>
V	Profit /Loss before exceptional items and tax (III-IV)	(1,460.29)	(202.19)	(118.33)	(1,824.07)	(256.84)	(665.93)
VI	Share in Profit/(Loss) in Equity Accounted Investments(Net of Tax)	3.10	(7.54)	21.33	14.63	20.86	25.71
VII	Exceptional items / Extraordinary Items	-	-	-	-	-	-
VIII	Profit/(loss) before tax (V-VI-VII)	(1,457.18)	(209.73)	(97.00)	(1,809.45)	(235.98)	(640.22)
IX	Tax expenses :						
	(a) Current tax	-	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-	(21.94)
X	Profit / (Loss) for the period from continuing operations (VIII-IX)	(1,457.18)	(209.73)	(97.00)	(1,809.45)	(235.98)	(618.28)
XI	Profit / (loss) from discontinued operations	-	-	-	-	-	-
XII	Tax expenses from discontinued operations	-	-	-	-	-	-
XIII	Profit/(loss) from discontinued operations (XI-XII)	-	-	-	-	-	-
XIV	Profit/(loss) for the period (X-XIII)	(1,457.18)	(209.73)	(97.00)	(1,809.45)	(235.98)	(618.28)
XV	Other Comprehensive Income						
	(a) Items that will not be reclassified to Profit & Loss	-	-	-	-	-	-
	i) Remeasurements of post-employment benefit plan	-	-	-	-	-	-
	ii) Changes in fair value of equity instruments designated through OCI	-	-	-	-	-	-
	iii) Tax relating to these items	-	-	-	-	-	-
	(b) Items that will be reclassified to Profit & Loss	-	-	-	-	-	-
	i) Changes in fair value of debt instruments	-	-	-	-	-	-
	ii) Tax relating to these items	-	-	-	-	-	-
XV	Total Comprehensive Income for the period	(1,457.18)	(209.73)	(97.00)	(1,809.45)	(235.98)	(618.28)
XVI	Paid up Equity Share Capital (Face Value of Rs.10/- per Equity Share)	580.80	580.80	580.80	580.80	580.80	580.80
XVII	Earning per equity share						
	(1) Basic	(25.09)	(3.61)	(1.67)	(31.15)	(4.06)	(10.65)
	(2) Diluted	(25.09)	(3.61)	(1.67)	(31.15)	(4.06)	(10.65)

Notes:

1	The above unaudited financial results have been reviewed by the Audit committee and approved by the Board of Directors of the Company in their meetings held on 14.02.2020. The Statutory Auditors have carried out Limited Review of the same. The Statutory Auditors have expressed an unqualified opinion.
2	The Company has only one segment namely textile, hence no separate segmentwise disclosure has been made.
3	The above 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 relevant rules issued there under.
4	The figures of previous periods have been regrouped wherever considered necessary.

For Konark Synthetic Limited



*Amitabh Kejriwal*  
Amitabh Kejriwal  
Managing Director

14 FEB 2020