



# SHESHADRI INDUSTRIES LIMITED

**Date:** 13<sup>th</sup> November 2020

To  
The General Manager  
Department of Corporate Services  
B. S. E. Limited  
1<sup>st</sup> Floor, Rotunda Building  
B.S.Marg, Fort  
Mumbai - 400 001

Dear Sir,

**Sub: Outcome of Board Meeting held on November 13, 2020**  
**Ref: Regulation 30 and 33 of SEBI (LODR) Regulations, 2015.**  
**Scrip Code: 539111**

With reference to the above cited subject, we would like to inform you that the Board of Directors of the Company at their meeting held on Friday, 13<sup>th</sup> November 2020 at the Registered Office of the Company has inter-alia, considered and approved the Un-audited financial results for the Quarter and Half-year ended 30<sup>th</sup> September 2020. The said Un-audited Financial Results of the Company were reviewed by the Audit Committee and thereafter approved by the Board of Directors.

A copy of the Un-audited financial results for the Quarter and Half-year ended 30<sup>th</sup> September 2020 duly signed by the Managing Director along with the Limited Review Report of the Statutory Auditors are enclosed herewith.

We request you to take the above information on record and acknowledge the receipt of the same.

Yours faithfully,  
for **SHESHADRI INDUSTRIES LIMITED**

  
**JEETENDER KUMAR AGARWAL**  
Managing Director  
DIN: 00041946



# SHESHADRI INDUSTRIES LIMITED

## Sheshadri Industries Limited

E-mail ID: info@sheshadri.in; Website: www.sheshadri.in

Regd. office : 6th Floor, Surya Towers, 105,

S.P. Road, Secunderabad - 500003

Phone: 91-40-30512700, Fax: 91-40-30512725

Extract of Un Audited Financial Results for The Quarter And Half Year ended on 30/09/2020

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
	(Un Audited)	(Un Audited)	(Un Audited)	(Un Audited)	(Un Audited)	(Audited)
I Revenue from operations	3.26	1.11	285.07	4.37	783.40	1,179.82
II Other income	1.19	-	61.17	1.19	64.93	203.19
III Total Revenue(I+II)	4.45	1.11	346.24	5.57	848.33	1,383.01
IV Expenses						
Cost of materials consumed	3.64	0.17	128.47	3.81	399.56	433.59
Purchase of Stock in Trade	-	-	-	-	-	229.53
Change in inventories of finished goods, stock in trade and work in progress	-	-	60.56	-	102.51	141.58
Employee benefit Expenses	4.51	12.77	66.45	17.28	128.10	310.13
Finance costs	87.82	94.79	2.16	182.61	3.68	418.79
Depreciation and amortisation expenses	54.18	54.19	63.09	108.37	125.60	236.44
Other expenses	14.60	16.35	275.61	30.95	329.86	524.44
Total Expenses(IV)	164.75	178.27	596.33	343.02	1,089.30	2,294.50
V Profit before exceptional items and tax (III-IV)	(160.31)	(177.16)	(250.09)	(337.46)	(240.97)	(911.49)
VI Exceptional items	-	-	-	-	-	736.14
VII Tax expense:						
Current tax	-	-	-	-	-	-
Deferred tax	-	-	-	-	-	-
VIII Profit for the period (V-VI)	(160.31)	(177.16)	(250.09)	(337.46)	(240.97)	(175.35)
IX OTHER COMPREHENSIVE INCOME						
A-(i) Items that will be reclassified to the profit or loss	-	-	-	-	-	-
(ii) Income tax on items that will be reclassified to the profit or loss	-	-	-	-	-	-
B-(i) Items that will not be reclassified to the profit or loss						
a) Remeasurement of Defined employee benefit plans	-	-	-	-	-	0.20
(ii) Income tax on items that will not be reclassified to the profit or loss	-	-	-	-	-	-
Total Other Comprehensive Income (net of taxes)	-	-	-	-	-	0.20
Total Comprehensive Income for The Period	(160.31)	(177.16)	(250.09)	(337.46)	(240.97)	(175.15)
X Earnings per Equity share-Basic and diluted (not annualised)	(3.23)	(3.57)	(5.04)	(6.80)	(4.86)	(3.53)
Weighted average number of equity shares (In No's)	4,959,577	4,959,577	4,959,577	4,959,577	4,959,577	4,959,577

Place : Secunderabad  
Date : 13th November, 2020

For and on behalf of Board of Directors

Jeetender Kumar Agarwal  
Managing Director



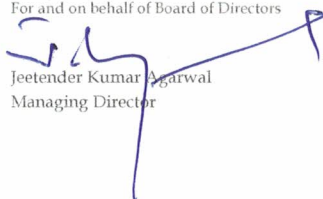
# SHESHADRI INDUSTRIES LIMITED

## Notes:

1. The above unaudited financial results were reviewed by the Audit committee and approved by the board of directors at their meetings held on 13th November, 2020 and statutory Auditors have audited them.
2. These financial results have been prepared in accordance with Companies Indian Accounting Standards Rules 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
3. The company's business activity falls within a single business segment i.e. Textile products in terms of IND AS 108 on operating segments
4. The Company has recorded accumulated losses of Rs. 4638.20 lakhs as at 30th September 2020. Resulting in negative net worth of Rs.3803.40 lacs and current liabilities exceed current assets by Rs.5547.69 Lakhs further there were negative cash flows from existing business activities. The accompanying financial statements have been prepared on a "Going Concern" basis by The Company based on a comfort Letter provided by the promoters for continued support to the company to meet its financial obligations, in order to enable the company to continue its operations in the foreseeable future. The Management is confident that in foreseeable future the financial position of the company will improve.
5. OTS sanctioned by Andhra Bank is valid upto 27.12.2019. The Company Paid 43% of OTS amount to Andhra Bank. The Company has provided interest on OTS to Andhra Bank for the FY 2019-20 of Rs. 260.07 Lakhs and upto the quarter ended 30.09.2020 of Rs. 85.05 Lakhs. The company has given written submission to Andhra Bank for extending repayment under OTS upto 28.02.2021. we are pursuing with the Bank for getting the information.
6. a) The companies operations are temporarily closed due to shortage of working capital. The company has applied for tender for storage of cotton bales for 75000 sft at Rajna unit Madhya Pradesh with Central Warehousing Corporation and we expect the tender to be finalized very soon.  
b) The Company has given 18000 Spindles on lease following arms length price.  
c) The Company has given 5000 Sft of garment division vacant building at Aliabad plant, Telangana on monthly lease for Rs. 75000/- and shown as other income.
7. Previous year figures have been regrouped where ever necessary to conform current year classification.

Place : Secunderabad  
Date : 13th November, 2020

For and on behalf of Board of Directors

  
Jeetender Kumar Agarwal  
Managing Director



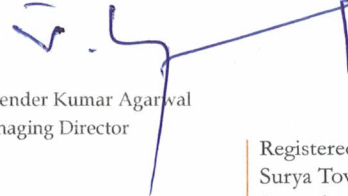
# SHESHADRI INDUSTRIES LIMITED

Statement of Assets and Liabilities as at September 30, 2020

(₹ in Lakhs.)

Particulars	As at September 30, 2020 (Un Audited)	As at March 31, 2020 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
a) Property, plant and equipment	3,889.16	3,997.53
c) Intangible assets	0.13	0.13
d) Financial assets		
- Loans	3.09	3.09
<b>Total Non- Current Assets</b>	<b>3,892.38</b>	<b>4,000.75</b>
<b>Current assets</b>		
a) Inventories	139.56	142.74
b) Financial assets		
i) Trade receivables	40.73	39.40
ii) Cash and cash equivalents	6.59	4.92
iii) bank balances Other than (ii) above	-	3.53
iv) Other financial assets	0.32	0.61
c) Other current assets	445.95	484.69
<b>Total Current Assets</b>	<b>633.15</b>	<b>675.89</b>
<b>Total Assets</b>	<b>4,525.53</b>	<b>4,676.64</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
a) Equity share capital	495.96	495.96
b) Other equity	(4,299.35)	(3,961.89)
<b>Total Equity</b>	<b>(3,803.39)</b>	<b>(3,465.93)</b>
<b>Non current liabilities</b>		
a) Financial liabilities		
-Borrowings	2,138.73	2,041.73
b) Provisions	9.35	10.51
<b>Total Non - Current Liabilities</b>	<b>2,148.08</b>	<b>2,052.24</b>
<b>Current liabilities</b>		
a) Financial liabilities		
i) Borrowings	2,758.90	2,808.90
ii) Trade payables		
a) Micro, Small and Medium enterprises	22.46	21.56
b) Other than MSME	1,739.47	1,676.55
iii) Other financial liabilities	345.29	260.24
b) Other current liabilities	1,055.38	1,045.89
c) Provisions	259.34	277.19
<b>Total Current Liabilities</b>	<b>6,180.84</b>	<b>6,090.33</b>
<b>Total Equity and liabilities</b>	<b>4,525.51</b>	<b>4,676.64</b>

For and on behalf of Board of Directors

  
Jeetender Kumar Agarwal  
Managing Director

Place : Secunderabad  
Date : 13th November, 2020

Registered Office :  
Surya Towers, 6th Floor, 105, S.P. Road,  
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# SHESHADRI INDUSTRIES LIMITED

Cash flow Statement for the Quarter and Half year ended September 30, 2020

(Amount in Lakhs)

Particulars	For the Year ended September 30, 2020 (Un Audited)	For the year ended March 31, 2020 (Audited)
<b>I Cash flow from operating activities:</b>		
A. Profit before tax	(337.47)	(175.16)
<b>B. Adjustment for:</b>		
a. Depreciation and amortisation expense	108.37	236.45
b. Interest income	-	(1.81)
d. (Profit)/Loss on sale of fixed assets (Net)	-	76.08
e. Provisions Written back	-	(85.33)
f. Unrealized foreign exchange gain (Net)	-	(4.46)
g. Finance cost	155.91	418.79
h. Debit balance written off	0.00	120.21
i. Items under other comprehensive income	-	(0.20)
j. Interest on Unsecured Loans	26.70	-
	<b>(46.49)</b>	<b>584.56</b>
C. Adjustment for movements in Working capital		
a. Trade payables	63.83	(25.20)
b. Other liabilities and Provisions	75.53	(832.22)
c. Trade receivables	1.33	(28.85)
d. Inventories	3.18	267.72
e. Financial and other current assets (Net of fair value adjustment on deposits)	39.14	40.21
	<b>136.52</b>	<b>6.24</b>
D. Cash generated from Operations	(0.11)	(9.56)
Less: Direct taxes Paid		
	<b>136.41</b>	<b>(3.32)</b>
<b>Net cash flow from operating activities (I)</b>		
<b>II Cash flows from investing activities</b>		
a. Purchase of fixed assets, including CWIP	-	4.00
b. Proceeds from sale of fixed assets	-	348.45
c. Maturity of security deposits	-	52.58
e. Proceeds from redemption/maturity of bank deposit	2.06	(1.82)
f. Interest received	-	1.81
	<b>2.06</b>	<b>405.02</b>
<b>Net cash flow from/ (used in) investing activities (II)</b>		
<b>III Cash flows from financing activities</b>		
a. Interest paid	70.86	158.55
b. Repayment of loans and borrowings	(211.18)	(560.76)
	<b>(140.33)</b>	<b>(402.21)</b>
<b>Net cash flow from/ (used in) financing activities (III)</b>		
<b>IV Net (decrease) in cash and cash equivalents (I + II + III)</b>	(1.86)	(0.52)
Cash and cash equivalents at the beginning of the year	8.45	8.96
<b>V Cash and cash equivalents at the end of the year</b>	<b>6.59</b>	<b>8.44</b>
<b>VI Components of cash and cash equivalents:</b>		
Me: a. Cash on hand	5.12	4.92
b. With banks		
i. on current account	1.47	3.53
<b>Total cash and cash equivalents (note no.12)</b>	<b>6.59</b>	<b>8.45</b>

Significant accounting policies 2 & 3

The notes referred to above, form an integral part of financial Statements

As per our report of even date

For K.S.Rao & Co.

Chartered Accountants

Firms' Registration Number: 003109S

M.Naga Prasadu

Partner

Membership Number:231388

For and on behalf of Board of Directors

Sheshadri Industries Limited

J.K. Agarwal

Managing Director

Place : Secunderabad

Date : 13th November, 2020

Registered Office :

Surya Towers, 6th Floor, 105, S.P. Road,  
Secunderabad - 500 003, Telangana, India.

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Independent Auditor's Review Report on Quarterly and Year to date Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended

**To the Board of Directors of Sheshadri Industries Limited,**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **Sheshadri Industries Limited** ("the Company") for the quarter ended 30th september,2020 and year to date results for the period from 1<sup>st</sup> April 2020 to 30<sup>th</sup> September,2020 (the "Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ( the "Listing Regulations").

2.This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

3. We conducted our review 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 financial statements are free from material misstatements. 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.Going Concern**

As stated in note no 5 of the statement, the Company has recorded accumulated losses of Rs. 4638.20 lakhs as at 30<sup>th</sup> September 2020, resulting in completed erosion of net worth and current liabilities exceed current assets by Rs.5547.69 Lakhs. Further there were lower cash inflows from existing business activities and the Company has defaulted in payment of dues to banks/ Financial Institutions and could not comply with the terms of sanction and /or repayment schedule of the lending institutions and banks. Due to financial constraints' material uncertainty exists about the company's ability to continue as going concern and the decision of the management of the company to prepare the accounts of the company on going concern basis. This assessment of uncertainty is based on Resolution plan submitted to the Banks by company and interest shown by the Banks.

#### **5.Basis of Qualified Conclusion**

i) During the year under review, the company has provided Rs.85.04 Lakhs as interest on working capital loans and term loans with Andhra Bank as per Terms of Onetime Settlement proposal submitted with the Banks, which the company has failed to repay. Whereas interest as per Bank sanction letter without considering the Onetime Settlement scheme amounts to Rs. 341.85 Lakhs.

In the absence of statement of account/confirmation from the Banks and financial institutions the above amount has been arrived at as per calculation made by the Company







Consequent to the above, loss for the period ended and Liabilities as on 30<sup>th</sup> September 2020 was understated and Shareholders funds are overstated to this extent.

ii) The company has not made any interest provision on unpaid statutory dues. We are unable to comment upon possible impact on the Unaudited Financial Results for the period ended 30<sup>th</sup> September 2020 and on accumulated losses.

**6. Qualified Conclusion**

Based on our review conducted as above, except in "Basis of Qualified conclusion" paragraph mentioned in para 5, 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 principles 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 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place : Hyderabad  
Date : 13-11-2020

For K.S. Rao & CO.  
Chartered Accountants  
Firm's Regn No. 003109S

  
*N. Prasad*  
(M Naga Prasad)  
Partner

Membership No. 231388  
UDIN: 20231388AAAACK1685