

Corporate Relationship Department
1st Floor, New Trading Ring,
Phiroze Jeejeebhoy Towers, Dalal Street,
Fort, Mumbai – 400001
Fax No.: 2272 3121 / 2272 2037

Exchange Plaza, 5th Floor,
Bandra Kurla Complex,
Bandra (East),
Mumbai – 400051
Fax No. : 2659 8348 / 2659 8237

Symbol: SARLAPOLY



Works 3 :
Survey No. 213/P,
Plot No. 11 & 12, ,
Dadra - 396 191,
U.T. Dadra & Nagar Haveli.

Sarla Performance Fibers Ltd.

304, Arcadia, 195, Nariman Point, Mumbai 400021
(O)+91 22 2283 4116/6632 4038
(O)+91 22 4032 2786-4032 2795
(F) +91 22 2285 1728
info@sarlafibers.com
CIN : L31909DN1993PLC000056



www.sarlafibers.com

Kindly display the same on the website of the Exchange for the information of the general public as well as members of the Stock Exchange.

For Sarla Performance Fibers Limited

A handwritten signature in black ink, appearing to read 'Mahendra Sheth'.

Mahendra Sheth
Chief Financial Officer and Company Secretary



Encl.: As above

Annexure A

Mr. Madhusudan Jhunjunwala	Mr. Krishnakumar Jhunjunwala	Mr. Parantap Dave
He is Experienced in Finance and Office Administration for more than 40 Years	He is Experience in Textile Manufacturing, Exports and Marketing for more than 25 years	He is Chartered Account with experience of more than 25 years in the field of Corporate and Finance Advisory

Regd. Off. & Works 1:
Survey No. 59/1/4.
Amli Piparia Industrial Estate,
Silvassa - 396 230,
U.T. Dadra & Nagar Haveli

Works 2:
Survey No. 64/2/3/4,61/1,61/2,62/5,63/5,63/7,
Amli Piparia Industrial Estate,
Silvassa - 396 230,
U.T. Dadra & Nagar Haveli

Vapi Works:
Shed No. A1 / 48,
100 Sheds Area,
GIDC, Vapi - 396 195
(Gujarat)

Works 3 :
Survey No. 213/P,
Plot No. 11 & 12, ,
Dadra - 396 191,
U.T. Dadra & Nagar Haveli.

Limited Review Report on Unaudited Standalone Financial Results for the quarter ended 30th June, 2019

To The Board of Directors**Sarla Performance Fibers Limited**

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of Sarla Performance Fibers Limited ("the Company") for the quarter ended 30th June, 2019 (the "Statement") together with the notes thereon attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time ('Listing Regulations').
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report 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 is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.



4. Basis for Qualified opinion:

As on 30th June, 2019, the Company has an exposure to its Wholly Owned Subsidiary 'Sarlaflex, Inc.' of Rs.596 lakhs towards investment in equity and towards unsecured loan of Rs.7,860 lakhs. The Company also has indirect exposure in Sarlaflex, Inc. by way of unsecured loans amounting to Rs. 5,882 lakhs through its wholly owned subsidiary, Sarla Overseas Holdings Limited.

Sarlaflex, Inc. has suspended manufacturing operations since December, 2017 and has a negative net worth as on 30th June 2019. These conditions raise substantial doubt about its ability to continue as a going concern.

In the absence of any impairment testing by management during the period, we are unable to comment on the impact of the said impairment, if any, on standalone financial results. Our report for previous quarter was also qualified for the same.

5. Based on our review conducted as above, except for the possible effect of the matter described in the paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under 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 Disclosures Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No. 101961W/W-100036



Vijay Mehta
Partner
Membership No. 106533
UDIN: 19106533AAAACN6947



Place: Mumbai
Date: 13 August, 2019

Independent Auditor's Review Report On Consolidated Unaudited Quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors

Sarla Performance Fibers Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Sarla Performance Fibers Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30th June, 2019, together with the notes thereon attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time ('Listing Regulations'). Attention is drawn to the fact that in terms of the requirement of the Circular, consolidated unaudited figures for the corresponding quarter ended 30th June 2018 and quarter ended 31st March 2019 have been approved by the Parent's Board of Directors, but have not been subjected to limited review by us. Also refer note 5 of the Consolidated Financial Results for the quarter ended 30th June 2019.
2. This Statement which is the responsibility of the Parent's Management and approved by the Parent's 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, ('the Act'), and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 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 Statement is free of material misstatement. A review of interim financial information is limited primarily to inquiries of Parent's persons responsible for financial and accounting matters, and applying analytical and other review procedures to financial data. 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the subsidiaries as mentioned in Annexure to the Report.

5. Basis for Qualified opinion:

Sarlaflex, Inc., the wholly owned subsidiary having total assets of Rs.14,992 lakhs has suspended manufacturing operations since December, 2017 and has a negative net worth as on 30th June 2019. These conditions raise substantial doubt about its ability to continue as a going concern.

In the absence of any impairment testing by management for these assets during the year, we are unable to comment on the impact of the said impairment, if any, on consolidated financial results. Our report for previous quarter was also qualified for the same.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above except for the possible effect of the matter described in the paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared



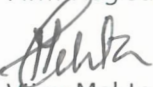
in accordance with the applicable Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. Emphasis of Matter:

The investment made by the wholly owned subsidiary of the group M/s. Sarla Overseas Holdings Limited (SOHL) in three Joint Ventures are not consolidated on account of non-resolution of disputes, or non-receipt of financial statements for the year ended 30th June, 2019. Such investment have been tested for impairment and necessary provisions have been made in previous years, we are unable to comment about impact of the same on the Consolidated Statement of Profit and Loss.

Our opinion is not modified in respect of these matters.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No. 101961W/W-100036


Vijay Mehta
Partner

Membership No. 106533
UDIN: 19106533AAAACM2498



Mumbai
Date: 13th August, 2019

8. Annexure to the Limited Review Report:

9. Subsidiaries (held directly)

- a. Sarla Overseas Holding Limited
- b. Sarlaflex Inc

10. Subsidiaries (held indirectly)

- a. Sarlaflex LLC
- b. Sarla Europe, Lda
- c. Sarla Estate LLC
- d. Sarla Leverage Lender LLC

11. Joint Ventures (held indirectly) (refer para 7)

- a. Savitex SA De C. V. Honduras;
- b. MRK SA De C. V. Honduras;
- c. Sarla Tekstil Filament Sanayi Ticaret A.S.

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SARLA PERFORMANCE FIBERS LTD

CIN : L31909DN1993PLC000056

Regd. Office :- Survey No. 59/1/4, Amlti Piparia Industrial Estate, Silvassa - 396 230 (U.T. of Dadra & Nagar Haveli)

Tel. 0260-3290467, Fax : 0260-2631356, E-mail : silvassa@sarlafibers.com, Website : www.sarlafibers.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2019

(Rs. in lakhs except EPS)

	PARTICULARS	STANDALONE				CONSOLIDATED			
		Quarter Ended		Year Ended		Quarter Ended		Year Ended	
		30-Jun-19	31-Mar-19	30-Jun-18	31-Mar-19	30-Jun-19	31-Mar-19	30-Jun-18	31-Mar-19
		UNAUDITED	AUDITED	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
	Income								
1	Revenue From Operations	7,400	8,291	7,146	31,632	7,705	8,464	7,471	32,431
2	Other Income	255	426	382	1,810	349	613	471	1,757
3	Total Income (1+2)	7,656	8,717	7,527	33,442	8,053	9,077	7,942	34,188
4	Expenses:								
a)	Cost of raw material consumed	3,711	4,496	3,876	17,611	3,737	4,528	3,899	17,706
b)	Purchases of Stock-in-trade	-	-	-	-	-	-	-	-
c)	Changes in inventories of finished goods, work in progress and stock in trade	(38)	(31)	99	(265)	144	(195)	172	(518)
d)	Employee benefit expenses	314	349	255	1,150	353	393	293	1,304
e)	Finance costs	167	277	129	727	213	286	155	807
f)	Depreciation and amortisation expense	405	397	343	1,448	590	588	524	2,205
g)	Other expenses	2,385	1,987	1,949	8,537	2,423	2,103	2,077	8,838
	Total expenses (a to g)	6,943	7,475	6,661	29,209	7,459	7,704	7,121	30,341
5	Profit before Tax (3-4)	713	1,242	876	4,233	594	1,372	821	3,847
6	Tax Expenses - Current Tax	210	118	338	961	210	127	338	971
	- Deferred Tax	(718)	169	(11)	321	(719)	172	(11)	324
	- Adjustments for earlier years	-	-	-	(0)	-	-	-	(0)
7	Profit after tax (5-6)	1,221	956	549	2,951	1,103	1,073	494	2,552
8	Other Comprehensive Income								
a)	(i) Items that will not be reclassified to profit or loss	(4)	7	(11)	(14)	(4)	7	(11)	(14)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1	(2)	4	5	1	(2)	4	5
b)	(i) Items that will be reclassified to profit or loss	-	-	-	-	13	13	(147)	(189)
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
	Total Other Comprehensive Income	(2)	5	(7)	(9)	11	17	(154)	(198)
9	Total Comprehensive Income (7+8)	1,219	961	543	2,942	1,114	1,091	341	2,355
10	Profit attributable to:								
	Owners of the company	1,221	956	549	2,951	1,100	1,079	484	2,535
	Non controlling Interest	-	-	-	-	4	(6)	11	17
11	Other Comprehensive Income attributable to								
	Owners of the company	(2)	5	(7)	(9)	11	15	(155)	(198)
	Non controlling Interest	-	-	-	-	0	2	1	0
12	Total Comprehensive Income attributable to								
	Owners of the company	1,219	961	543	2,942	1,111	1,094	329	2,337
	Non controlling Interest	-	-	-	-	4	(3)	12	18
13	Paid-Up Equity Share Capital								
	(Face Value Of Share - Re.1/- Each)	835	835	835	835	835	835	835	835
14	Reserves excluding Revaluation Reserves (as per balance sheet)								
		-	-	-	31,307				28,328
15	Earnings Per Share (EPS)								
	Basic (in Rs)	1.46	1.14	0.66	3.53	1.32	1.29	0.58	3.04
	Diluted (in Rs)	1.46	1.14	0.66	3.53	1.32	1.29	0.58	3.04

NOTES :

- The auditors have in their report on the standalone and consolidated results, modified their opinion in respect of not testing for impairment of investments/assets of the company's Wholly owned Subsidiary Sarlaflex, Inc. Regarding the exposure to the Wholly owned Subsidiary Sarlaflex, Inc, the management is confident that with the recent trade sanctions being imposed in the US, the operations of the subsidiary will be profitable. The management is also monitoring the situation on a continuous basis and is confident that there would no need for an impairment at this stage.
- The Audit Committee has reviewed these results and the Board of Directors have approved the above results at their meeting held on 13th August, 2019.
- Effective from April.1, 2019, on implementation of Ind AS 116 'Leases', the Group has made transition adjustment as per para C8 (c) (ii) of Ind AS 116, i.e. prospective implementation without changing opening balance of reserves and adoption of this standard did not have any material impact on the profit of the current quarter.
- Deferred tax credit for the current quarter includes an amount of Rs 584 Lakhs arising on restatement of outstanding deferred tax liabilities consequent to reduction in applicable tax rates effective from current financial year 2019-2020.
- The figures of the quarter ended 31st March 2019 are the balancing figures between audited figures in respect of the full financial year and published year-to date figures upto the quarter ended 31st December 2018 which were subjected to limited review.



6 Consolidated financial results for the quarter ended 30th June 2019 have been subjected to Limited Review by the Statutory Auditors for the first time pursuant to amendments made in Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. Comparative figures for the quarter ended 30th June 2018 and preceding quarter ended 31st March 2019 are as compiled by the management and approved by the Board of Directors but have not been subjected to limited review by the auditors.

7 The company's business activity falls under two business segment- Yarn and Wind Power is as under:

(Rs in lakhs)

Particulars	STANDALONE				CONSOLIDATED			
	Quarter Ended		Year Ended		Quarter Ended			
	30-Jun-19	31-Mar-19	30-Jun-18	31-Mar-19	30-Jun-19	31-Mar-19	30-Jun-18	31-Mar-19
	UNAUDITED	AUDITED	UNAUDITED	AUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1. Segment Revenues (Net)								
(a). YARN	7,148	8,195	6,908	30,944	7,452	8,368	7,234	31,743
(b). WIND POWER	276	124	263	809	276	124	263	809
Less: Intercompany	24	28	26	122	24	28	26	122
Net Sales/Income From Operations	7,400	8,291	7,146	31,632	7,705	8,464	7,471	32,431
2. Segment Results								
(a). YARN	1,174	1,911	1,314	6,276	1,102	2,050	1,285	5,969
(b). WIND POWER	133	34	96	345	133	34	96	345
Less : Finance cost (Unallocable)	167	277	129	727	213	286	155	807
Less : Admin cost (Unallocable)	428	425	405	1,661	428	425	405	1,661
Total Profit Before Tax	713	1,242	876	4,233	594	1,372	821	3,847
3. Segment Assets								
(a). YARN	46,780	46,040	40,333	46,040	53,088	52,461	49,344	52,461
(b). WIND POWER	8,266	8,212	8,798	8,212	8,266	8,212	8,798	8,212
(c). UNALLOCATED	543	1,140	412	1,140	543	1,140	412	1,140
Total	55,589	55,392	49,543	55,392	61,896	61,813	58,554	61,813
4. Segment Liabilities								
(a). YARN	19,348	19,348	15,533	19,348	27,743	28,724	26,768	28,724
(b). WIND POWER	3,852	3,902	3,787	3,902	3,852	3,902	3,787	3,902
(c). UNALLOCATED	-	-	-	-	-	-	-	-
Total	22,227	23,250	19,320	23,250	31,595	32,626	30,555	32,626
5. Capital Employed								
(a). YARN	28,404	26,692	24,800	26,692	25,345	23,737	22,575	23,737
(b). WIND POWER	4,414	4,310	5,011	4,310	4,414	4,310	5,011	4,310
(c). UNALLOCATED	543	1,140	412	1,140	543	1,140	412	1,140
Total	33,361	32,142	30,223	32,142	30,302	29,187	27,998	29,187

8 Figures relating to corresponding period of the previous year have been regrouped wherever necessary.

For Sarla Performance Fibers Limited

Krishna M. Jhunjhunwala
Director (DIN: 00097175)

Place : Mumbai.

Dated : 13th August 2019



Statement on Impact of Audit Qualifications for the Quarter ended June 30, 2019 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total Income	8,053	8,053
	2	Total Expenditure	7,459	7,459
	3	Net Profit/(Loss)	594	594
	4	Earnings Per Share	1.32	1.32
	5	Total Assets	61,896	61,896
	6	Total Liabilities	31,596	31,596
	7	Net Worth	30,301	30,301
	8	Any other financial item(s) (as felt appropriate by the management)		
II. Audit Qualification (each audit qualification separately):				
<p>a. Details of Audit Qualification:- Sarlaxflex, Inc., the wholly owned subsidiary having total assets of Rs.14,992 lakhs has suspended manufacturing operations since December, 2017 and has a negative net worth as on 30th June 2019. These conditions raise substantial doubt about its ability to continue as a going concern.</p> <p>In the absence of any impairment testing by management for these assets during the year, we are unable to comment on the impact, if any, on consolidated annual financial results.</p>				
b. Type of Audit Qualification : Qualified Opinion				
c. Frequency of qualification: Repeat				
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: No				
e. For Audit Qualification(s) where the impact is not quantified by the auditor:				
(i) Management's estimation on the impact of audit qualification:				
(ii) If management is unable to estimate the impact, reasons for the same:- The auditors have in their report on the standalone and consolidated results, modified their opinion in respect of not testing for impairment of investments/assets of the company's Wholly owned Subsidiary Sarlaxflex, Inc. Regarding the exposure to the Wholly owned Subsidiary Sarlaxflex, Inc, the management is confident that with the recent trade sanctions being imposed in the US, the operations of the subsidiary will be profitable. The management is also monitoring the situation on a continuous basis and is confident that there would no need for an impairment at this stage.				
(iii) Auditors' Comments on (i) or (ii) above:- None				
III. Signatories:				
• CEO/Managing Director			Kunal	
• CFO			Suresh	
• Audit Committee Chairman			P. Dore	
• Statutory Auditor			Hinku	
Place: Mumbai				
Date: 13th August, 2019				



Statement on Impact of Audit Qualifications for the Quarter ended June 30, 2019 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	7,656	7,656
	2	Total Expenditure	6,943	6,943
	3	Net Profit/(Loss)	713	713
	4	Earnings Per Share	1.46	1.46
	5	Total Assets	55,589	55,589
	6	Total Liabilities	22,227	22,227
	7	Net Worth	33,361	33,361
	8	Any other financial item(s) (as felt appropriate by the management)	-	-
II. Audit Qualification (each audit qualification separately):				
<p>a. Details of Audit Qualification:- As on 30th June, 2019, the company has an exposure to its Wholly owned Subsidiary 'Sarlaflex, Inc.' of Rs. 596 lakhs towards investment in equity and towards unsecured loan of Rs. 7,809 lakhs. The Company also has indirect exposure in Sarlaflex, Inc. by way of loans amounting to Rs. 5,882 lakhs through its wholly owned subsidiary, Sarla Overseas Holdings Limited. Sarlaflex, Inc has suspended manufacturing operations since December, 2017 and has a negative net worth as on 30th June 2019. These conditions raise substantial doubt about its ability to continue as a going concern. In the absence of any impairment testing by management during the year, we are unable to comment on the impact, if any, on standalone annual financial results.</p>				
b. Type of Audit Qualification : Qualified Opinion				
c. Frequency of qualification: Repeat				
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: No				
e. For Audit Qualification(s) where the impact is not quantified by the auditor:				
(i) Management's estimation on the impact of audit qualification:				
(ii) If management is unable to estimate the impact, reasons for the same:- The auditors have in their report on the standalone and consolidated results, Qualified their opinion in respect of not testing for impairment of investments/assets of the company's Wholly owned Subsidiary Sarlaflex, Inc. Regarding the exposure to the Wholly owned Subsidiary Sarlaflex, Inc, the management is confident that with the recent trade sanctions being imposed in the US, the operations of the subsidiary will be profitable. The management is also monitoring the situation on a continuous basis and is confident that there would no need for an impairment at this stage.				
(iii) Auditors' Comments on (i) or (ii) above:- None				
III. Signatories:				
CEO/Managing Director			Kunal	
CFO			Sonali	
Audit Committee Chairman			P. Dene	
Statutory Auditor			P. Dene	
Place: Mumbai				
Date: 13th August, 2019				

