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

SARLA PERFORMANCE FIBERS

www.sarlafibers.com

23rd May, 2019

SPFL/2019-20

BSE Limited
1st Floor, New Trading Ring, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001
Security Code: 526885

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400051
Symbol: SARLAPOLY

Dear Sir / Madam,

Subject: Outcome of Board Meeting pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") held on 23rd May, 2019

Pursuant to Regulation 30 of the Listing Regulations, we would like to inform you that the Board of Directors of the Company at its meeting held today at Mumbai, ***inter alia***, has considered and approved the following: -

1. The Audited Financial Statements (Standalone and Consolidated) for the year ended 31st March, 2019 and Audited Financial Results (Standalone and Consolidated) for the quarter ended 31st March, 2019, as recommended by the Audit Committee.

2. Recommendation of dividend Rs. 1.10 per equity share of Re. 1 for the financial year ended 31st March, 2019.

3. Appointment of Mr. Paulo Manuel Ferreira De Castro (DIN: 08459844) as an Additional and Independent Director for a period of 5 years with effect from 23rd May, 2019, based on the recommendation of the Nomination and Remuneration Committee, subject to approval of Shareholders of the Company at the forthcoming Annual General Meeting.

Pursuant to Regulation 33 of the Listing Regulations, we are submitting herewith: -

1. Audited Financial Results of the Company on Standalone and Consolidated basis for the quarter and year ended 31st March, 2019 along with Auditors' Report issued by CNK & Associates LLP, Chartered Accountant, Statutory Auditors of the Company attached as **"Annexure A".**

2. The Statement of Impact of Audit Qualification for Standalone and Consolidated as **"Annexure B".**

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The Meeting of the Board of Directors of the Company commenced at 02:00 PM and concluded at 5:15 PM.

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.

Thanking you.

Yours faithfully,

For **Sarla Performance Fibers Limited**

Mahendra Sheth
CFO and Company Secretary

Sarla Performance Fibers Limited

Encl.: As above

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.

CNK & Associates LLP
Chartered Accountants

Narain Chambers, 5th Floor, M. G. Road, Vile Parle (E), Mumbai - 400 057.
Tel.: +91-22-62507600

Mistry Bhavan, 3rd Floor, Dinshaw Vachha Road, Churchgate, Mumbai - 400 020.
Tel.: +91-22-6623 0600

Independent Auditor's report on Consolidated Financial Results the Sarla Performance Fibers Limited pursuant to the regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 as amended.

TO THE BOARD OF DIRECTORS OF
Sarla Performance Fibers Limited

1. We have audited the consolidated annual financial results of **Sarla Performance Fibers Limited** (hereinafter referred to as the "Holding Company") and its subsidiary (collectively referred to as "the Group") for the year ended 31st March, 2019, attached herewith, being submitted by the Holding 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 ("Listing Regulations").

2. These consolidated annual financial results have been prepared from consolidated annual financial statements which are the responsibility of the Holding Company's Management. Our responsibility is to express an opinion on these consolidated annual financial results based on our audit of such consolidated annual financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated annual financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by Management. We believe that our audit provides a reasonable basis for our opinion.

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

5. Basis for modified opinion:
   Sarlaflex, Inc., the wholly owned subsidiary having total assets of Rs.15,237 lakhs has suspended manufacturing operations since December, 2017 and has a negative net worth as on 31st March 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, if any, on consolidated annual financial results.

CNK ASSOCIATES LLP MUMBAI Chartered Accountants

6. Emphasis of Matter:

We draw attention to note no. 5 of the Statement of Financial Results:

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 31st March, 2019. Such investment have been tested for impairment and necessary provisions have been made, 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.

7. Other Matters:

We did not audit the financial statements of a step down subsidiary included in the consolidated annual financial results, whose annual financial statements reflect total assets of Rs. 332.54 lakhs as at 31st March, 2019 as well as total revenue of Rs. 368.41 lakhs for the year ended 31st March, 2019. These annual financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated annual financial results, to the extent they have been derived from such annual financial statement is based solely on the report of other auditors.

This step down subsidiary is located outside India whose financial statements and other financial information has been prepared in accordance with accounting principles generally accepted in its country and which have been audited by other auditor under generally accepted auditing standards applicable in its country. The Company's management has converted the financial statements of such step down subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion, in so far as it relates to the balances and affairs of such step down subsidiary is based on the report of other auditor and conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

8. Except for the possible effect of the matter described in the paragraph 5 above, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial statement of the subsidiary and as aforesaid, these consolidated annual financial results:
   a) Include the financial results of the following entities:
      i) Sarla Overseas Holding Limited (Subsidiary) and its subsidiary Sarla Europe;
      ii) Sarlaflex, Inc (Subsidiary) and its subsidiaries namely Sarlaflex LLC, Sarla Estate LLC and Sarla Leverage Lender LLC;
   b) Have been presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard;
   c) Give a true and fair view of the net consolidated profit and other comprehensive income and other financial information for the year ended 31st March, 2019.

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

Himanshu Kishnadwala
Partner
Membership No. 37391
Place: Mumbai
Date: 23rd May, 2019

C N K & ASSOCIATES LLP ★ MUMBAI ★ Chartered Accountants

Annexure to the Limited Review Report:

A. Subsidiaries (held directly)

1. Sarla Overseas Holding Limited
2. Sarlaflex Inc

B. Subsidiaries (held indirectly)

1. Sarlaflex LLC
2. Sarla Europe, Lda
3. Sarla Estate LLC
4. Sarla Leverage Lender LLC

C. Joint Ventures (held indirectly)(refer para 6)

1. Savitex SA De C. V. Honduras;
2. MRK SA De C. V. Honduras;
3. Sarla Tekstil Filament Sanayi Ticaret A.S.

CNK & Associates LLP
Chartered Accountants

Narain Chambers, 5th Floor, M. G. Road, Vile Parle (E), Mumbai - 400 057.
Tel.: +91-22-62507600

Mistry Bhavan, 3rd Floor, Dinshaw Vachha Road, Churchgate, Mumbai - 400 020.
Tel.: +91-22-6623 0600

Independent Auditor's Report on Standalone Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

To The Board of Directors of
Sarla Performance Fibers Limited

1. We have audited the standalone annual financial results of **Sarla Performance Fibers Limited** ("the Company") for the year ended 31st March, 2019, 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'). Attention is drawn to the fact that the figures for the last quarter ended 31st March, 2019 and the corresponding quarter ended in the previous year as reported in these standalone annual financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up-to the end of the third quarter of the relevant financial year. Also, the figures up-to the end of the third quarter had only been reviewed and not subjected to audit.

2. These standalone annual financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone annual financial results based on our audit of the standalone annual financial statements which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone annual financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

4. Basis for modified opinion:

   As on 31st March, 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. 5,903 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 31st March 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.

5. Except for the possible effect of the matter described in the paragraph 4 above, In our opinion and to the best of our information and according to the explanations given to us, these standalone annual financial results:
   i. are presented in accordance with the requirements of the Regulation 33 of the Listing Regulation in this regard; and
   ii. give a true and fair view of the net profit, other comprehensive income and other financial information for the year ended 31st March, 2019.

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

Himanshu Kishnadwala
Partner
Membership No. 37391
Place: Mumbai
Date: 23rd May, 2019

C N K & ASSOCIATES LLP ★ Chartered Accountants ★ MUMBAI

SARLA PERFORMANCE FIBERS LTD
CIN : L31909DN1993PLC000056
Regd. Office :- Survey No. 59/1/4, Amli 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 AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31ST MARCH 2019

(Rs. in lakhs except EPS)

		PARTICULARS	STANDALONE					CONSLIDATED	
			Quarter Ended			Year Ended		Year Ended	
			31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
			AUDITED	UNAUDITED	UNAUDITED	AUDITED	AUDITED	AUDITED	AUDITED
		Income							
1		Revenue From Operations	8,291	7,941	6,864	31,632	27,647	32,430	30,413
2		Other Income	401	434	246	1,786	2,584	1,734	2,046
3		**Total Income (1+2)**	**8,693**	**8,375**	**7,110**	**33,418**	**30,231**	**34,164**	**32,459**
4		**Expenses:**							
	a)	Cost of raw material consumed	4,496	4,789	3,664	17,611	13,073	17,672	13,519
	b)	Purchases of Stock-in-trade	-	-	-	-	-	33	25
	c)	Changes in inventories of finished goods, work in progress and stock in trade	(31)	(461)	48	(265)	679	(517)	1,558
	d)	Employee benefit expenses	349	282	261	1,150	1,008	1,304	1,642
	e)	Finance costs	277	171	143	727	618	807	735
	f)	Depreciation and amortisation expense	397	361	291	1,448	1,317	2,205	2,015
	g)	Other expenses	1,964	2,089	1,835	8,514	7,606	8,813	8,427
		Total expenses (a to g)	**7,452**	**7,231**	**6,241**	**29,186**	**24,301**	**30,316**	**27,921**
5		**Profit before Tax (3-4)**	**1,241**	**1,144**	**869**	**4,232**	**5,931**	**3,848**	**4,538**
6		Tax Expenses - Current Tax	117	230	243	961	1,505	970	1,511
		- Deferred Tax	168	205	230	321	363	324	566
		- Mat credit entitlement	-	-	(145)	-	(145)	-	(145)
		- Adjustments for earlier years	(0)	(0)	182	(0)	182	(0)	182
7		**Profit after tax (5-6)**	**956**	**710**	**358**	2,950	4,026	**2,554**	**2,425**
8		**Other Comprehensive Income**							
	a)	(i) Items that will not be reclassified to profit or loss	7	(11)	19	(14)	(17)	(14)	(17)
		(ii)Income tax relating to items that will not be reclassified to profit or loss	(2)	4	(7)	5	6	5	6
	b)	(i)Items that will be reclassified to profit or loss	-	-	-	-	-	(152)	11
		(ii)Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-
		Total Other Comprehensive Income	**5**	**(7)**	**13**	**(9)**	**(11)**	**(161)**	**0**
9		**Total Comprehensive Income (7+8)**	**961**	**703**	**371**	2,941	4,015	2,394	**2,425**
10		**Profit attributable to:**							
		Owners of the company	956	710	358	2,950	4,026	2,537	2,417
		Non controlling Interest	-	-	-	-	-	17	8
11		**Total Comprehensive Income attributable to**							
		Owners of the company	5	(7)	13	(9)	(11)	(161)	1
		Non controlling Interest	-	-	-	-	-	0	(1)
12		Paid-Up Equity Share Capital							
		(Face Value Of Share - Re.1/-Each)	835	835	835	835	835	835	835
13		Reserves excluding Revaluation Reserves (as per balance sheet)	-	-	-	31,301	28,845	28,323	26,460
14		Earnings Per Share (EPS)							
		Basic (in Rs)	1.14	0.85	0.43	3.53	4.82	3.06	2.90
		Diluted (in Rs)	1.14	0.85	0.43	3.53	4.82	3.06	2.90

NOTES :

1 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.

2 The Audit Committee has reviewed these results and the Board of Directors have approved the above results at their meeting held on 23rd May, 2019.

3 The Board of Directors have recommended dividend of Rs. 1.10 per equity share of Re.1 each for the financial year 2018-19. The same is subject to approval of shareholders in Annual General Meeting.

C N K & ASSOCIATES LLP ★ Chartered Accountants ★ ICNM MUMBAI

Sarla Performance Fibers Limited

4 Revenue from operations for periods up to June 30, 2017 includes excise duty, which is discontinued effective July 01, 2017 upon implementation of Goods and Service Tax (GST) in India. In accordance with 'Ind-AS 18/115, Revenue' GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the year ended on March 31, 2019 are not comparable with the previous periods. For comparison purpose revenue excluding excise duty is given below:

(Rs in lakhs)

Particulars	STANDALONE					CONSLIDATED	
	Quarter Ended			Year Ended		Year Ended	
	31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Revenue excluding excise duty	8,291	7,941	6,864	31,632	27,269	32,430	30,034

5 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.

6 Figures of three months ended March 31, 2019 and March 31, 2018 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the respective financial year.

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

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

(Rs in lakhs)

Particulars	STANDALONE					CONSLIDATED	
	Quarter Ended			Year Ended	Year Ended	Year Ended	
	31-Mar-19	31-Dec-18	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
1. Segment Revenues (Net)	AUDITED	UNAUDITED	UNAUDITED	AUDITED	AUDITED	AUDITED	AUDITED
(a). YARN	8,196	7,871	6,769	30,944	26,938	31,743	29,703
(b). WIND POWER	124	90	117	809	836	809	836
Less: Intercompany	28	20	22	122	126	122	126
Net Sales/Income From Operations	**8,291**	7,941	6,864	**31,632**	**27,647**	**32,430**	**30,413**
2. Segment Results							
(a). YARN	1,910	1,739	1,418	6,275	7,312	5,971	6,036
(b). WIND POWER	34	(1)	(5)	345	351	345	351
Less : Finance cost (Unallocable)	277	171	143	727	618	807	735
Less : Admin cost (Unallocable)	425	422	401	1,661	1,114	1,661	1,114
Total Profit Before Tax	**1,241**	1,144	869	**4,232**	**5,931**	**3,848**	**4,538**
3. Segment Assets							
(a). YARN	46,040	44,368	37,538	46,040	37,539	52,460	45,994
(b). WIND POWER	8,212	8,489	9,232	8,212	9,232	8,212	9,232
(c). UNALLOCATED	1,140	1,084	1,089	1,140	1,089	1,140	1,089
Total	**55,392**	53,941	47,860	**55,392**	**47,860**	**61,812**	**56,315**
4. Segment Liabilities							
(a). YARN	19,353	18,818	14,261	19,353	14,261	28,728	25,093
(b). WIND POWER	3,902	3,900	3,919	3,902	3,919	3,902	3,919
(c). UNALLOCATED	-	-	-	-	-	-	-
Total	**23,255**	22,717	18,179	**23,255**	**18,179**	**32,630**	**29,011**
5. Capital Employed							
(a). YARN	26,686	25,550	23,278	26,686	23,278	23,733	20,901
(b). WIND POWER	4,310	4,590	5,314	4,310	5,314	4,310	5,314
(c). UNALLOCATED	1,140	1,084	1,089	1,140	1,089	1,140	1,089
Total	**32,136**	31,224	29,680	**32,136**	**29,680**	**29,182**	**27,303**

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

Consolidated Statement of assets and liabilities:

(Rs in lakhs)

	Particulars	As at 31st March 2019	As at 31st March 2018
I	**ASSETS**		
(1)	Non-current assets		
	(a) Property, Plant and Equipment	23,606	22,077
	(b) Capital Work in progress	1,030	323
	(c) Investment Property	-	-
	(d) Intangible assets	1,946	2,050
	(e) Investments accounted for using equity method	-	-
	(f) Financial Assets		
	(i) Investments	7,414	6,898
	(ii) Loans	1,066	1,222
	(iii) Other financial assets	2,512	2,087
	(g) Non current Tax Assets (Net)	44	53
	(h) Deferred Tax Assets (Net)	328	311
	(i) Other non-current assets	2,273	1,660
	Total non-current assets	**40,219**	**36,681**
(2)	**Current assets**		
	(a) Inventories	5,759	5,816
	(b) Financial Assets		
	(i) Investments	37	125
	(ii) Trade receivables	8,024	7,912
	(iii) Cash and cash equivalents	631	1,627
	(iv) Bank balances other than (iii) above	4,562	2,911
	(v) Loans	127	110
	(vi) Other financial assets	440	43
	(d) Other current assets	2,014	1,090
	Total current assets	**21,593**	**19,634**
	Total Assets	**61,812**	**56,315**
II	**EQUITY AND LIABILITIES**		
	Equity		
	(a)Equity Share capital	835	835
	(b)Other Equity	28,323	26,460
	Equity attributable to equity share holders	**29,158**	**27,296**
	Non-controlling interests	24	8
	Total equity	**29,182**	**27,303**
	Liabilities		
(1)	**Non-current liabilities**		
	(a) Financial Liabilities		
	(i) Borrowings	14,998	12,410
	(ii) Other financial liabilities	78	148
	(b) Provisions	106	92
	(c) Deferred tax liabilities (Net)	3,121	2,800
	(d) Other non-current liabilities	5	6
	Total non-current liabilities	**18,309**	**15,457**
(2)	**Current liabilities**		
	(a) Financial Liabilities		
	(i) Borrowings	8,454	7,748
	(ii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises	-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	1,579	1,271
	(iii) Other financial liabilities	3,699	3,846
	(b) Other current liabilities	340	563
	(c) Provisions	55	39
	(d) Current Tax Liabilities (Net)	194	88
	Total current liabilities	**14,320**	**13,554**
	Total Equity and Liabilities	**61,812**	**56,315**

C N K & ASSOCIATES LLP MUMBAI Chartered Accountants

Sarla Performance Fibers Limited

Standalone Statement of assets and liabilities:

(Rs in lakhs)

	Particulars	As at 31st March, 2019	As at 31st March, 2018
I	**ASSETS**		
(1)	**Non-current assets**		
	(a) Property, Plant and Equipment	18,812	16,866
	(b) Capital Work in progress	1,030	323
	(c) Intangible assets	1,946	2,050
	(d) Investments in Subsidiaries	780	780
	(e) Financial Assets		
	(i) Investments	1,103	964
	(ii) Loans	8,448	8,024
	(iii) Other financial assets	2,512	2,087
	(f) Non current Tax Assets (Net)	44	53
	(g) Other non-current assets	330	181
	Total non-current assets	**35,004**	**31,327**
(2)	**Current assets**		
	(a) Inventories	3,896	4,225
	(b) Financial Assets		
	(i) Investments	37	125
	(ii) Trade receivables	9,049	6,875
	(iii) Cash and cash equivalents	412	1,280
	(iv) Bank balances other than (iii) above	4,562	2,911
	(v) Loans	31	23
	(vi) Other financial assets	440	43
	(c) Other current assets	1,961	1,050
	Total current assets	**20,388**	**16,533**
	Total Assets	**55,392**	**47,860**
II	**EQUITY AND LIABILITIES**		
	Equity		
	(a)Equity Share capital	835	835
	(b)Other Equity	31,301	28,845
	Total equity	**32,136**	**29,680**
	Liabilities		
(1)	**Non-current liabilities**		
	(a) Financial Liabilities		
	(i) Borrowings	6,009	3,926
	(ii) Other financial liabilities	-	1
	(b) Provisions	106	92
	(c) Deferred tax liabilities (Net)	3,121	2,800
	(d) Other non-current liabilities	5	6
	Total non-current liabilities	**9,242**	**6,825**
(2)	**Current liabilities**		
	(a) Financial Liabilities		
	(i) Borrowings	8,452	6,446
	(ii) Trade payables		
	(A) total outstanding dues of micro enterprises and small enterprises	-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises	1,435	1,072
	(iii) Other financial liabilities	3,699	3,602
	(b) Other current liabilities	178	107
	(c) Provisions	55	39
	(d) Current Tax Liabilities (Net)	194	88
	Total current liabilities	**14,013**	**11,354**
	Total Equity and Liabilities	**55,392**	**47,860**

For Sarla Performance Fibers Limited

Madhusudan S. Jhunjhunwala
Director (DIN: 00097254)

Place : Mumbai.
Dated : 23rd May 2019

Sarla Performance Fibers Limited

C N K & ASSOCIATES LLP
MUMBAI
Chartered Accountants

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - Standalone

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019
[*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.

Sl.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover / Total income	33,418	33,418
2	Total Expenditure	30,467	30,467
3	Net Profit/(Loss)	2,950	2,950
4	Earnings Per Share	3.53	3.53
5	Total Assets	55,392	55,392
6	Total Liabilities	23,255	23,255
7	Net Worth	32,136	32,136
8	Any other financial item(s) (as felt appropriate by the management)	-	-

II. **Audit Qualification (each audit qualification separately):**

a. **Details of Audit Qualification:-** As on 31st March, 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 loans amounting to Rs. 5,903 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 31st March 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.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification:** First time

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 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	
· CFO	
· Audit Committee Chairman	
· Statutory Auditor	
Place: Mumbai	
Date: 23rd May, 2019	

Sarla Performance Fibers Limited

C N K & ASSOCIATES LLP MUMBAI Chartered Accountants

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - Consolidated

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019

[*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	34,164	34,164
	2	Total Expenditure	31,610	31,610
	3	Net Profit/(Loss)	2,554	2,554
	4	Earnings Per Share	3.06	3.06
	5	Total Assets	61,812	61,812
	6	Total Liabilities	32,630	32,630
	7	Net Worth	29,182	29,182
	8	Any other financial item(s) (as felt appropriate by the management)		

II. Audit Qualification (each audit qualification separately):

a. **Details of Audit Qualification:-** Sarlaflex, Inc., the wholly owned subsidiary having total assets of Rs.15,237 lakhs has suspended manufacturing operations since December, 2017 and has a negative net worth as on 31st March 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, if any, on consolidated annual financial results.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification:** First time

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 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	
• CFO	
• Audit Committee Chairman	
• Statutory Auditor	
Place: Mumbai	
Date: 23rd May, 2019	

Sarla Performance Fibers Limited

C N K & ASSOCIATES LLP MUMBAI Chartered Accountants

SARLA PERFORMANCE FIBERS LTD
CIN : L31909DN1993PLC000056
Regd. Office :- Survey No. 59/1/4, Amli 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 Audited Financial Results for quarter & year ended March 31, 2019

(Rs in lakhs)

Sr No.	Particulars	Standalone				Consolidated	
		Quarter ended Audited 31-Mar-2019	Year ended Audited 31-Mar-2019	Quarter ended Audited 31-Mar-2018	Year ended Audited 31-Mar-2018	Year ended Audited 31-Mar-2019	Year ended Audited 31-Mar-2018
1	Revenue From Operations	8,291	31,632	6,864	27,647	32,430	30,413
2	Other Income	401	1,786	246	2,584	1,734	2,046
3	Net Profit for the period (before tax, exceptional and/or extraordinary item)	1,241	4,232	869	5,931	3,848	4,538
4	Net Profit for the period before tax (after exceptional and/or extraordinary item)	1,241	4,232	869	5,931	3,848	4,538
5	Net Profit for the period after tax (after exception and/or extraordinary item)	956	2,950	358	4,026	2,554	2,425
6	Total Comprehensive Income for the period [Comprising profit /(loss) for the period (after tax) and other comprehensive income (after tax)]	961	2,941	371	4,015	2,394	2,425
7	Paid up Equity Share Capital(Face Value of Re. 1/-each)	835	835	835	835	835	835
8	Earnings Per Share (Face Value of Re.1 per Share) (Not Annualised) Basic and Diluted (In Rs.)	1.14	3.53	0.43	4.82	3.06	2.90

Notes:

1 The above is an extract of the financial results for the quarter and nine months ended 31st March,2019 which have been reviewed by the Audit Committee and approved by Board of Directors in their meeting held on 23rd May, 2019 and filed with the stock exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the aforesaid financial results are available on the website of the Company, Bombay Stock Exchange Limited and National Stock Exchange of India Limited i.e. www.sarlafibers.com, www.bseindia.com and www.nseindia.com

Madhusudan S. Jhunjhunwala
Director (DIN: 00097254)

Place: Mumbai
Dated : 23rd May 2019