



GTN
INDUSTRIES
GROUP

GTN INDUSTRIES LIMITED

(A Government recognised 'TWO STAR EXPORT HOUSE')
CIN : L18101TG1962PLC054323, GSTNo :36AAACG8605N1ZB
Corp : Off : Plot No.29, Nagarjuna Hills,Punjagutta,
Hyderabad - 82. Telangana, INDIA. Phone :+91-40-43407777
Email :sharedept@gtnindustries.com , Website : Www.gtnindustries.com
AEO Certificate No. INAAACG8605N1F181

"An ISO 9001, ISO 14001,
ISO 45001 and ISO 50001
Certified Organization"

REF:GTN: Reg.30/BSE:2021-22

Dated: 29th June, 2021

To

The Dy. General Manager
Department of Corporate Services
BSE LIMITED
Phiroze Jeejeebhoy Towers,
Dalal Street, MUMBAI - 400 001

Dear Sir,

Sub: Outcome of the Board Meeting held on 29th June, 2021
Ref: Company Scrip Code : 500170

In compliance of Regulation 30 of SEBI (Listing Obligations & Disclosures) Regulations, 2015, We would like to inform you that the Board of Directors in their meeting held today have considered and Approved following:

- 1) Approved Audited Financial Results for the quarter/Year ended 31st March, 2021 along with Audit Report issued by the Statutory Auditors of the Company which were taken on record in the Meeting of the Board of Directors of the Company held on 29th June, 2021.
- 2) Approved Resignation of Shri Ashok Kumar T.T as an Independent Director and Shri S. Udaya Kumar as a Director from the Board of the Company due to their pre-occupational issues.

This is for your information and records.

Thanking you,

Yours faithfully,

For **GTN INDUSTRIES LIMITED**

(P. Prabhakara Rao)
Company Secretary

Independent Auditor's Report

To
The Board of Directors of
GTN Industries Limited

Report on the Audit of the Financial Results

Opinion

We have audited the accompanying financial results of **GTN Industries Limited** ("the Company"), for the quarter and year ended March 31, 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these financial results:

- (i) are presented in accordance with the requirements of Regulations 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India, of the net profit / (loss) and other comprehensive income and other financial information for the quarter and year ended March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 (the 'Act') (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw your attention to Note 6 of the financial results, with regard to Management's assessment of realisability and recoverability of its current assets, due to COVID-19 pandemic. The Management apart from considering the internal and external information upto the date of approval of these financial statements, the Company has also performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions the Company expects to recover the carrying amount of these assets.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements. Considering the continuing uncertainties, the Management will continue to closely monitor any material changes in economic conditions as may pan out in future.

Our report is not modified in respect of this matter.



Management's Responsibility for the Financial Results

These quarterly financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures



in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

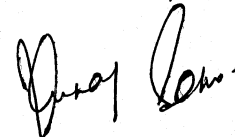
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

The Financial Results include the results for the quarter ended March 31, 2021 being the balancing figures between audited figures in respect of full financial year and the published unaudited year to date figures upto third quarter of the current financial year which were subjected to limited review by us.

Our opinion is not modified in respect of this matter.

For Bagaria & Co. LLP
Chartered Accountants
FRN: 113447W/W-100019



Vinay Somani
Partner

Membership No.: 143503
UDIN: 21143503AAAAKC9433



Place : Mumbai

Date : June 29, 2021

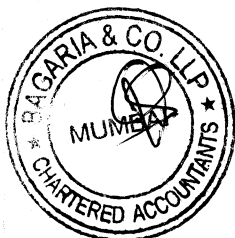
Statement of Audited results for the Quarter and Year ended 31st March, 2021

(Rs. in lacs)

Sr No	Particulars	For the Quarter ended 31st March, 2021	For the Quarter ended 31st December, 2020	For the Quarter ended 31st March, 2020	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
		(Audited) (Refer Note 7)	(Unaudited)	(Audited)	(Audited)	(Audited)
I.	Revenue from Operations	10121	8811	7638	31024	34418
II.	Other Income	17	20	30	139	24
III.	Total Income (I + II)	10138	8831	7668	31163	34442
IV.	Expenses:					
	Cost of Materials Consumed	5090	4948	4795	17557	20932
	Purchases of Stock-in-Trade	955	656	242	2100	1707
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	58	62	(59)	73	212
	Employee Benefits Expense	851	804	784	2987	3225
	Finance Costs (Refer Note 4)	869	540	564	2491	2500
	Depreciation	215	226	223	890	914
	Other Expenses	1778	1551	1580	5892	6359
	Total Expenses	9816	8787	8129	31990	35849
V.	Profit / (Loss) before exceptional items and tax (III-IV)	322	44	(461)	(827)	(1407)
VI.	Exceptional items	-	-	91	-	915
VII.	Profit / (Loss) before tax (V - VI)	322	44	(370)	(827)	(492)
VIII.	Tax Expense:					
	Current Tax	-	-	(43)	-	44
	MAT Credit Entitlement	-	-	43	-	(44)
	Deferred Tax	(97)	(15)	26	205	(53)
IX.	Profit / (Loss) after tax (VII - VIII)	225	29	(344)	(622)	(545)
X.	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss					
	- Remeasurements of Defined Benefit Plans	18	(1)	(3)	15	(17)
	- Income tax relating to above	(5)	1	1	(4)	5
XI.	Total Comprehensive Income	238	29	(346)	(611)	(557)
XII.	Paid - up equity share capital (Face Value of Rs. 10 each)	1755	1755	1755	1755	1755
XIII.	Other Equity				2821	3432
XIV.	Earnings per equity share of face value of Rs. 10 each. Basic & Diluted (in Rs.)	1.28	0.16	(1.96)	(3.55)	(3.11)

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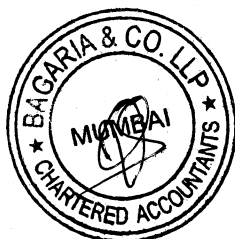
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Statement of Assets and Liabilities

(Rs. in Lacs)

Particulars		As at 31st March, 2021	As at 31st March, 2020
A	ASSETS		
1	NON-CURRENT ASSETS		
	(a) Property, Plant and Equipment	13721.21	14592.95
	(b) Intangible assets	2.60	2.81
	(c) <u>Financial Assets:</u>		
	Other Financial Assets	415.69	415.71
	(d) Deferred Tax Assets (Net)	268.32	67.50
	(e) Income Tax Assets	73.65	56.00
	(f) Other Non-Current Assets	18.01	20.71
	TOTAL NON-CURRENT ASSETS	14499.48	15155.68
2	Current assets		
	(a) Inventories	5930.76	6185.18
	(b) <u>Financial Assets:</u>		
	(i) Trade Receivables	2753.45	2431.84
	(ii) Cash and Cash Equivalents	584.31	408.52
	(iii) Bank balances other than Cash and Cash Equivalents	590.61	566.95
	(iv) Other Financial Assets	45.25	51.28
	(c) Other Current assets	2401.65	2545.54
	(d) Assets held for disposal	26.87	26.87
	TOTAL CURRENT ASSETS	12332.90	12216.18
	TOTAL ASSETS	26832.38	27371.86
B	EQUITY AND LIABILITIES		
1	EQUITY		
	(a) Equity Share capital	1754.96	1754.96
	(b) Other Equity	2820.83	3431.77
	TOTAL EQUITY	4575.79	5186.73
	LIABILITIES		
1	NON-CURRENT LIABILITIES		
	(a) <u>Financial Liabilities:</u>		
	Borrowings	7118.66	7107.53
	(b) Provisions	96.70	126.53
	TOTAL NON-CURRENT LIABILITIES	7215.36	7234.06
2	CURRENT LIABILITIES		
	(a) <u>Financial Liabilities:</u>		
	(i) Borrowings	8338.18	9176.36
	(ii) Trade payables		
	Total outstanding dues of micro enterprises and		
	Total outstanding dues of creditors other than		
	micro enterprises and small enterprises	3086.16	4112.64
	(iii) Other financial liabilities	2065.26	1255.49
	(b) Provisions	71.11	72.23
	(c) Other current liabilities	1480.52	334.35
	TOTAL CURRENT LIABILITIES	15041.23	14951.07
	TOTAL EQUITY AND LIABILITIES	26832.38	27371.86



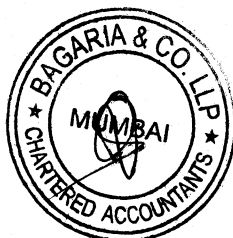
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Statement of Cash Flows

Rs. In lacs

PARTICULARS	For the year ended 31.03.2021	For the year ended 31.03.2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/(LOSS) BEFORE TAX	(610.94)	(556.39)
Adjustments for:		
Depreciation	890.06	913.91
Interest Charged	2490.74	2499.70
Loss/(Gain) on sale of assets	0.04	(924.91)
Sundry Balances written back	(0.17)	(0.06)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2769.73	1932.25
Adjustment for:		
Change in Working Capital		
(Increase)/decrease in inventories	254.42	(786.19)
(Increase)/decrease in trade receivables	(321.61)	261.67
(Increase)/decrease in other bank balances	(23.66)	40.41
(Increase)/decrease in other financial assets	6.03	44.20
(Increase)/decrease in other assets	146.59	(714.36)
(Increase)/decrease in deposits	0.02	24.09
Increase/(decrease) in trade payables	(1,026.49)	118.58
Increase/(decrease) in other financial liabilities	751.87	(203.65)
Increase/(decrease) in provisions	(30.78)	86.52
Increase/(decrease) in other liabilities	(91.04)	14.17
CASH GENERATED FROM OPERATIONS	2435.08	817.69
Tax paid (Net of refund)	(17.65)	(9.23)
NET CASH FLOW FROM OPERATING ACTIVITIES	2417.43	808.46
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(18.55)	(244.30)
Sale of Property, Plant and Equipment	0.40	2437.10
Advance received for sale of Property, Plant and Equipment	1036.40	-
NET CASH USED IN INVESTING ACTIVITIES	1,018.25	2192.80
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings (Net)	11.13	(798.55)
Repayment of Short Term Borrowings (Net)	(838.18)	249.20
Interest paid	(2,432.84)	(2,307.31)
NET CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES	(3,259.89)	(2,856.66)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	175.79	144.60
CASH & CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR	408.52	263.92
CASH & CASH EQUIVALENTS AS AT THE END OF THE YEAR	584.31	408.52



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Notes:

- 1) These results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 29th June, 2021.
- 2) Based on the "Management Approach" as defined in Ind AS 108 - Operating Segments, the Company is primarily engaged in the business of Textile Products which the management recognizes as the sole business segment. Hence, disclosure of segment-wise information is not required and accordingly, not provided.
- 3) As a result of the nationwide lockdown imposed by the Government of India, the operations of the Company were temporarily disrupted at its manufacturing facilities impacting production and dispatches from the second half of March 2020. The Company had resumed operations since last week of April / first week of May 2020 in compliance with the guidelines issued by respective authorities and is continuing to take adequate precautions for safety and wellbeing of its employees. In view of recent surge in Covid-19 cases, few states reintroduced some restrictions and the Company continues to be vigilant and cautious.

The Company has considered the possible impact of Covid-19 in preparation of these results. The impact of the global health pandemic may be different from that estimated as at the date of approval of results. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.

- 4) The Company had accounted for Technology Upgradation Fund scheme ('TUF') rebate amounting to Rs. 408.91 lakhs as receivable, in earlier years. During the year, based on the management's assessment and communication with lenders, the Company has written off TUF rebate amounting to Rs. 195.02 lakhs relating to second restructuring of loans under Corporate Debt Restructuring ('CDR') carried out in 2012. Out of the remaining TUF rebate receivable of Rs. 213.89 lakhs, an amount of Rs. 132 lakhs has already been approved by the Joint Inspection Team ('JIT') set up by the Ministry of Textiles. The balance amount of Rs. 81.89 lakhs is under inspection by the JIT which, in the opinion of the management, is good for recovery.
- 5) The Board of Directors of the Company in their meeting held on March 2, 2021 resolved, subject to shareholders' and lenders' approval, to sell the Property, Plant and Equipment situated in Telangana for a consideration of Rs. 7300 lacs. The aforesaid sale was approved by the shareholders of the Company subsequent to the year end on 15th April, 2021 by way of postal ballot. The accounting effect of the aforesaid sale would be given in the financial statements of the period in which the lenders' approval is received by the Company.
- 6) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code and recognise the same when the Code becomes effective.
- 7) The figures of the last quarter and corresponding quarter of the previous year are balancing figures for the full financial year and unaudited published year to date figures upto the third quarter of the current financial year and previous financial year.
- 8) The figures for the corresponding periods have been regrouped and reclassified wherever necessary, to make them comparable with the figures of the current period.

**For and on behalf of the board
GTN Industries Limited**

MAHENDRA KUMAR PATODIA Digitally signed by MAHENDRA KUMAR PATODIA

M.K. Patodia

**Chairman and Managing Director
DIN: 00004752**

Place : Hyderabad
Date : 29th June, 2021

