

**AUDITOR'S REPORT PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To  
**Board of Directors,  
Angel Fibers Limited**

1. We have audited the accompanying statement of Standalone financial results of **Angel Fibers Limited** ("the Company") for the half year and year ended 31<sup>st</sup> March, 2019 ("the statement") 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 modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This statement, which is the responsibility of the Company's management and has been approved by the Board of Directors or Committee of Board of Directors, has been compiled from the related financial statements which has been prepared in accordance with the Accounting Standards 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 express our opinion on the statement based on our audit of such financial statements.

2. We conducted our audit in accordance with the Standard on Auditing issued by the Institute of Chartered Accountants of India. Those Standards requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion.



### 3. Basis for Disclaimer of Opinion

- a. Included in debtors shown on the balance sheet is an amount of Rs. 11,61,600/- due from debtors which have ceased trading. The Company has no security for this debt. On the basis that no security has been obtained and no cash has been received on the debt, in our opinion the Company should make a full provision for impairment of Rs. 11,61,600/- reducing profit before taxation for the year and net assets at March 31, 2019 by that amount.
- b. Included in short-term loans and advances shown on the balance sheet is an amount of Rs. 10,60,131/- due from certain parties. The Company has no security for these loans and advances. On the basis that no security has been obtained and no cash has been received on the loan/advance, in our opinion the Company should make a full provision for impairment of Rs. 10,60,131/-, reducing profit before taxation for the year and net assets at March 31, 2019 by that amount.
- c. The Company has not carried out an inspection of its fixed assets and has not maintained a register of fixed assets during the year under review. Consequently, we were unable to carry out auditing procedures necessary to obtain adequate assurance regarding the quantities and condition of fixed assets, appearing in the balance sheet at Rs. 889,639,393/- There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the existence of such fixed assets. Accordingly, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Any adjustment to the figure may have a consequential significant effect on the profit for the year and net assets as at March 31, 2019.
- d. The Company has not carried out an inspection of its inventories during the year under review. Consequently, we were unable to carry out auditing procedures necessary to obtain adequate assurance regarding the quantities and condition of such inventories appearing in the balance sheet at Rs. 377,068,925/- There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the existence of such inventories. Accordingly, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Any adjustment to the figure may have a consequential significant effect on the profit for the year and net assets as at March 31, 2019. The management has stated that there were no observations made by the stock auditor in their report for the stock audit carried out on behalf of the bank.



### **Disclaimer of Opinion**

Based on our review conducted as above, except for the possible effects of our observation described in the "Basis for Disclaimer of Opinion" Para 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting practices and principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. The Statement includes the results for the half year ended March 31, 2019 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to September 30, 2018 of the current financial year which were subject to limited review by us.

Place: Rajkot  
Date: 30.05.2019

**FOR, H. B. KALARIA & ASSOCIATES**  
**Chartered Accountants**



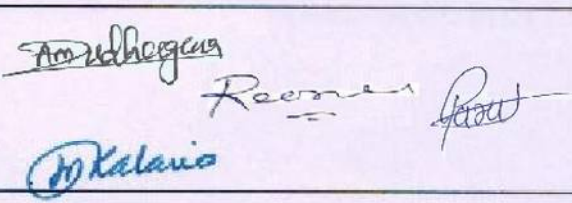
**(Hardik H. Kalaria)**  
**Partner**  
M.No. 155474  
Firm Reg: 104571W

## ANNEXURE I

### 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]

(Rs. in lakhs)

I.	SI. No.	Particulars	Audited Figures	Adjusted Figures
			(as reported before adjusting for qualifications)	(audited figures after adjusting for qualifications)
	1	Turnover / Total income	13,690.60	13,690.60
	2	Total Expenditure	13,636.77	13,636.77
	3	Net Profit/(Loss)	53.83	53.83
	4	Earnings Per Share	0.22	0.22
	5	Total Assets	15,391.66	15,391.66
	6	Total Liabilities	12,447.82	12,447.82
	7	Net Worth	2,943.85	2,943.85
	8	Any other financial item(s) (as felt appropriate by the management)	-	-
<b>II. Audit Qualification (each audit qualification separately):</b>				
<p><b>a Details of Audit Qualification:</b> Refer Audit Report</p> <p><b>b Type of Audit Qualification :</b> Disclaimer of Opinion</p> <p><b>c Frequency of qualification:</b> First time</p> <p><b>d For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not Applicable</p> <p><b>e For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>(i) Management's estimation on the impact of audit qualification: Not Applicable</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: Not Applicable</p> <p>(iii) Auditors' Comments on (i) or (ii) above:</p> <p>1. Management is advised to carry out inspection of inventories, fixed assets and to maintain a register of fixed assets.</p> <p>2. The Company should make a full provision for impairment of debtors which have ceased trading &amp; which have been outstanding for a period of more than six months and against which no provision for doubtful debts has been created during the financial year.</p> <p>3. The Company should make a full provision for impairment of short-term loans and advances against which the Company has no security and &amp; which have been outstanding for a period of more than one year.</p>				
<b>III. Signatories:</b>				
CEO/Managing Director Company Secretary Audit Committee Chairman Statutory Auditor				
				
<b>Place:</b>	<b>Rajkot</b>			
<b>Date:</b>	<b>30.05.2019</b>			

**ANGEL FIBERS LIMITED**  
**AUDITED STANDALONE BALANCE SHEET AS AT 31st MARCH 2019**

(Rs.in Lakhs)

	Particulars	As at	
		31.03.2019	31.03.2018
		(Audited)	(Audited)
<b>I</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Shareholders' funds</b>		
	(a) Share capital	2,500.00	2,500.00
	(b) Reserves and surplus	443.85	390.02
	(c) Money received against share warrants	-	-
<b>2</b>	<b>Share application money pending allotment</b>	-	-
<b>3</b>	<b>Non-current liabilities</b>		
	(a) Long-term borrowings	7,497.21	3,323.04
	(b) Deferred tax liabilities (Net)	219.60	114.09
	(c) Other Long term liabilities	-	-
	(d) Long term provisions	8.99	8.08
<b>4</b>	<b>Current liabilities</b>		
	(a) Short term borrowings	1,212.05	702.57
	(b) Trade Payables :-		
	(A) total outstanding dues of micro enterprises and small enterprises; and	-	-
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.".]	2,164.98	1,037.45
	(c) Other Current Liabilities	1,316.19	1,316.12
	(d) Short Term Provisions	28.80	99.57
	<b>TOTAL</b>	<b>15,391.66</b>	<b>9,490.94</b>
<b>II</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Fixed assets		
	(i) Tangible assets	8,895.30	4,214.17
	(ii) Intangible assets	1.09	1.45
	(iii) Capital work-in-progress	-	387.28
	(iv) Intangible assets under development	-	-
	(b) Non-current investments		-
	(c) Deferred tax assets (net)		
	(d) Long-term loans and advances	34.51	34.51
	(e) Other non-current assets	0.41	26.00
<b>2</b>	<b>Current assets</b>		
	(a) Current investments	109.47	18.87
	(b) Inventories	3,770.69	2,925.25
	(c) Trade receivables	628.42	609.78
	(d) Cash and cash equivalents	14.12	71.49
	(e) Short-term loans and advances	477.32	434.75
	(f) Other current assets	1,460.33	767.38
	<b>TOTAL</b>	<b>15,391.66</b>	<b>9,490.94</b>

Date : 30.05.2019

For and on behalf of Board of Directors,

*Amudhega*



ANGEL FIBERS LIMITED

STATEMENT OF STANDALONE AUDITED RESULTS FOR THE HALF YEAR & YEAR ENDED 31ST MARCH 2019

(Rs.in Lakhs)

Particulars	Six months ended	Six months ended	Preceding Six months ended	Year Ended	Previous year Ended
	31.03.2019 (Audited)	30.09.2018 (Unaudited)	31.03.2018 (Audited)	31.03.2019 (Audited)	31.03.2018 (Audited)
<b>I. Revenue from Operations</b>	7,515.08	5,752.54	3,739.28	13,267.62	8,203.34
II. Other Income	29.53	393.45	604.92	422.98	748.80
<b>III.Total Revenue (I + II)</b>	<b>7,544.61</b>	<b>6,145.99</b>	<b>4,344.20</b>	<b>13,690.60</b>	<b>8,952.14</b>
<b>IV. Expenses:</b>					
Cost of materials consumed	6,566.84	3,094.99	3,112.27	9,661.82	6,281.09
Purchases of Stock-in-Trade	34.97	1,318.41	215.77	1,353.38	249.18
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(687.78)	244.81	(360.91)	(442.98)	(377.83)
Employee benefits expense	132.32	150.74	107.53	283.06	232.93
Finance costs	117.33	231.91	234.01	349.25	494.07
Depreciation and amortisation expense	754.24	414.53	421.64	1,168.77	840.46
Other expenses	708.94	472.80	360.42	1,181.74	772.05
<b>Total expenses (IV)</b>	<b>7,626.85</b>	<b>5,928.19</b>	<b>4,090.74</b>	<b>13,555.04</b>	<b>8,491.95</b>
<b>V. Profit before exceptional and extraordinary items and tax (III - IV)</b>	<b>(82.24)</b>	<b>217.81</b>	<b>253.47</b>	<b>135.56</b>	<b>460.20</b>
VI. Exceptional items	-	-	-	-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>	<b>(82.24)</b>	<b>217.81</b>	<b>253.47</b>	<b>135.56</b>	<b>460.20</b>
VIII. Extraordinary items	-	-	-	-	-
<b>IX. Profit before tax (VII - VIII)</b>	<b>(82.24)</b>	<b>217.81</b>	<b>253.47</b>	<b>135.56</b>	<b>460.20</b>
X. Tax expense:					
(1) Current tax	(15.18)	44.41	61.76	29.22	100.01
(2) MAT credit entitlement	(23.74)	(29.27)	-	(53.01)	-
(3) Deferred tax	74.35	31.17	(36.37)	105.52	(74.89)
<b>XI. Profit (Loss) for the period from continuing operations (IX-X)</b>	<b>(117.67)</b>	<b>171.50</b>	<b>228.08</b>	<b>53.83</b>	<b>435.08</b>
XII. Profit/(loss) from discontinuing operations	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-
<b>XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XV. Profit (Loss) for the period (XI + XIV)</b>	<b>(117.67)</b>	<b>171.50</b>	<b>228.08</b>	<b>53.83</b>	<b>435.08</b>
Paid-up Equity Share Capital (weighted Average) (Face Value Rs. 10 Each)	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
<b>XVI. Earnings per equity share:</b>					
(1) Basic	(0.47)	0.69	0.91	0.22	1.74
(2) Diluted	(0.47)	0.69	0.91	0.22	1.74
<b>XVII. Interest Service Coverage Ratio</b>	<b>0.83</b>	<b>1.95</b>	<b>2.03</b>	<b>1.19</b>	<b>1.94</b>
Debt Service Coverage Ratio	0.25	0.49	1.17	0.34	0.76
Debt Equity Ratio	0.36	2.97	1.36	3.33	1.36

**Notes to the financial results:**

- The Company's Standalone financial results for the half year & year ended March 31st, 2019 have been reviewed by the Audit Committee and subsequently approved & taken on record by the Board of Directors of the Company at its meeting held on 30th May, 2019.
- Figures of previous reporting periods have been regrouped/reclassified wherever necessary to correspond with the figures of the current reporting period.
- The Company's Operations fall under a single segment "Spinning of Cotton Yarn". Hence, Segment reporting is not applicable as per Accounting Standard (AS) - 17 - Segment Reporting.
- The equity shares of the Company have been listed on the Emerging platform of BSE with effect from 6th March, 2018. The results shall be published on the company's website "www.angelfibers.com" as well as BSE website, "www.bseindia.com".
- Figures for the six months ended March 31, 2019 represent the difference between the audited figures in respect of full financial years and the published figures for the preceding six months ended September 30, 2019.
- Formulae for computation of ratios are as follows:

A) Debt Equity Ratio =

$$\frac{\text{Debt}}{\text{Equity}}$$

B) Debt Service Coverage Ratio =

$$\frac{\text{Earnings before interest and tax}}{\text{Interest Expense + Principal Repayments made for long term loans}}$$

C) Interest Service Coverage Ratio =

$$\frac{\text{Earnings before interest and tax}}{\text{Interest Expense}}$$

Date : 30.05.2019

For and on behalf of Board of Directors,

*Amredheya*  
