

**Independent Auditor's Review Report of Unaudited Standalone Financial Results for the Half Year Ended September 30, 2019 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**Review report to  
The Board of Directors of  
Acknit Industries Limited  
817 Krishna, 224 A.J.C. Bose Road  
Kolkata - 700017**

We have reviewed the accompanying statement of unaudited financial results of "ACKNIT INDUSTRIES LIMITED" for the period ended 30<sup>TH</sup> September 2019. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

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 financial statements are free of material misstatement. A review is limited primarily to inquiries of 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards 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 Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Date: 14/11/2019  
Place: Kolkata**

**For SRB & Associates  
Chartered Accountants  
FRN-310009E**



  
**Biswanath Paul  
Partner  
M.No-068186  
UDIN: 19068186AAAAIU8716**

ACKNIT INDUSTRIES LIMITED

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Un-audited Financial Results for the quarter and half year ended 30th September, 2019



(₹ in lakhs)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1 Income from operations</b>						
(a) Income from operations (Gross)	4,849.81	3,373.98	3,945.14	8,223.79	7,378.07	16,448.52
(b) Other operating income	244.07	179.90	222.76	423.97	409.76	930.09
<b>Revenue from Operations</b>	<b>5,093.88</b>	<b>3,553.88</b>	<b>4,167.90</b>	<b>8,647.76</b>	<b>7,787.83</b>	<b>17,378.61</b>
(c) Other Income	140.97	19.27	29.75	160.24	54.74	508.08
<b>Total Revenue</b>	<b>5,234.85</b>	<b>3,573.15</b>	<b>4,197.65</b>	<b>8,808.00</b>	<b>7,842.57</b>	<b>17,886.69</b>
<b>2 Expenses</b>						
(a) Cost of materials consumed	2,837.13	2,259.91	2,261.84	5,097.04	4,551.79	10,623.50
(b) Purchase of stock-in-trade	36.38	42.28	52.51	78.66	53.41	146.30
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	183.78	(533.95)	199.73	(350.17)	(22.17)	(3.39)
(d) Customs Duty Expenses	50.08	41.26	40.89	91.34	69.64	177.26
(e) Employee benefits expense	164.88	144.68	158.22	309.56	286.63	595.07
(f) Finance Cost	127.96	121.45	152.91	249.41	268.49	498.32
(g) Depreciation and amortisation expense	57.61	56.66	54.63	114.27	108.95	226.91
(h) Other expenses						
- Processing charges	1,061.88	917.19	769.54	1,979.06	1,527.75	3,244.99
- Other	543.38	430.20	381.34	973.58	760.44	1,787.47
<b>Total expenses</b>	<b>5,063.08</b>	<b>3,479.68</b>	<b>4,071.61</b>	<b>8,542.75</b>	<b>7,604.93</b>	<b>17,296.43</b>
<b>3 Profit before tax (1-2)</b>	<b>171.77</b>	<b>93.47</b>	<b>126.04</b>	<b>265.25</b>	<b>237.64</b>	<b>590.26</b>
<b>4 Tax expense</b>						
- Current Tax	51.55	23.30	37.81	74.85	70.36	128.64
- Deferred Tax	(32.66)	3.31	(2.66)	(29.35)	(43.78)	(6.64)
<b>5 Net profit for the period (3-4)</b>	<b>152.88</b>	<b>66.86</b>	<b>90.89</b>	<b>219.75</b>	<b>211.06</b>	<b>468.26</b>
<b>6 Other Comprehensive Income net of tax</b>	-	-	-	-	(0.93)	(42.79)
<b>7 Total comprehensive income (5+6)</b>	<b>152.88</b>	<b>66.86</b>	<b>90.89</b>	<b>219.75</b>	<b>210.13</b>	<b>425.47</b>
<b>8 Paid up equity share capital</b>	<b>304.00</b>	<b>304.00</b>	<b>304.00</b>	<b>304.00</b>	<b>304.00</b>	<b>304.00</b>
(Face value of Rs. 10/- each)						
<b>9 Other Equity</b>						<b>4,198.71</b>
<b>10 Earnings per Share ( of Rs 10 / each) (not annualised)</b>						
(a) Basic	5.03	2.20	2.99	7.23	6.94	15.40
(b) Diluted	5.03	2.20	2.99	7.23	6.94	15.40



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Segment wise Revenue, Results and Capital employed for the quarter and half year ended ended 30th September,2019

(₹ in lakhs)

Particulars	Quarter Ended			Half Year Ended		Year Ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Segment Revenue</b>						
Hand Gloves	3,138.87	2,110.17	2,730.41	5,249.04	5,026.36	11,817.86
Garment	1,930.58	1,387.35	1,382.55	3,317.93	2,664.24	5,441.54
Power generation	18.75	27.75	54.94	46.50	97.23	119.21
Others & traded items	5.68	28.61	-	34.29	-	-
<b>Total</b>	<b>5,093.88</b>	<b>3,553.88</b>	<b>4,167.90</b>	<b>8,647.76</b>	<b>7,787.83</b>	<b>17,378.61</b>
Less : Inter segmental revenue	-	-	-	-	-	-
<b>Net sales / income from operations</b>	<b>5,093.88</b>	<b>3,553.88</b>	<b>4,167.90</b>	<b>8,647.76</b>	<b>7,787.83</b>	<b>17,378.61</b>
<b>Segment Results</b>						
Hand Gloves	327.51	365.75	253.79	693.25	535.43	1,163.02
Garment	64.91	32.03	50.49	96.94	90.79	163.91
Power generation	8.48	18.12	41.34	26.60	73.97	74.67
Others & traded items	0.26	0.14	-	0.40	-	-
<b>Total</b>	<b>401.16</b>	<b>416.04</b>	<b>345.62</b>	<b>817.19</b>	<b>700.19</b>	<b>1,401.60</b>
Add/(less) : Finance costs net	(127.52)	(121.45)	(150.84)	(248.97)	(267.23)	(487.81)
Unallocable expenditure net of unallocable income	(101.87)	(201.12)	(68.74)	(302.97)	(195.32)	(323.53)
<b>Total profit before tax</b>	<b>171.77</b>	<b>93.47</b>	<b>126.04</b>	<b>265.25</b>	<b>237.64</b>	<b>590.26</b>
<b>Segment Assets</b>						
Hand Gloves	7,560.39	7,606.93	7,484.23	7,560.39	7,484.23	8,024.81
Garment	3,948.63	3,712.96	3,473.54	3,948.63	3,473.54	3,484.95
Power generation	288.26	294.46	373.26	288.26	373.26	327.00
Others & traded items	24.37	24.37	-	24.37	-	-
Unallocated corporate assets	635.05	568.44	700.01	635.05	700.01	591.90
<b>Total</b>	<b>12,456.70</b>	<b>12,207.16</b>	<b>12,031.04</b>	<b>12,456.70</b>	<b>12,031.04</b>	<b>12,428.66</b>
<b>Segment Liabilities</b>						
Hand Gloves	4,545.32	4,640.24	4,807.48	4,545.32	4,807.48	5,216.31
Garment	2,835.13	2,613.80	2,516.39	2,835.13	2,516.39	2,385.08
Power generation	0.20	0.20	0.80	0.20	0.80	0.32
Others & traded items	17.10	16.41	-	17.10	-	-
Unallocated corporate liabilities	391.45	366.94	419.00	391.45	419.00	324.24
<b>Total</b>	<b>7,789.20</b>	<b>7,637.59</b>	<b>7,743.67</b>	<b>7,789.20</b>	<b>7,743.67</b>	<b>7,925.95</b>
<b>Capital employed</b>						
(Segment assets - segment liabilities)						
Hand Gloves	3,015.07	2,966.69	2,676.75	3,015.07	2,676.75	2,808.50
Garment	1,113.50	1,099.16	957.15	1,113.50	957.15	1,099.87
Power generation	288.06	294.26	372.46	288.06	372.46	326.68
Others & traded items	7.27	7.96	-	7.27	-	-
Unallocated corporate assets/(liabilities)	243.60	201.50	281.01	243.60	281.01	267.66
<b>Total</b>	<b>4,667.50</b>	<b>4,569.57</b>	<b>4,287.37</b>	<b>4,667.50</b>	<b>4,287.37</b>	<b>4,502.71</b>



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Un-audited Financial Results for the quarter and half year ended 30th September, 2019



Cash Flow Statement for the quarter and half year ended 30th September, 2019 (₹ in lakhs)

Particulars	Half Year Ended	
	30.09.2019	30.09.2018
<b>A Cash Flow from Operating Activities</b>		
1 Profit for the year	219.76	211.06
2 Adjustments for :		
Income tax expenses recognised in profit or loss	45.50	26.58
Depreciation of property, plant and equipment	114.27	108.95
Loss/(gain) on disposal of property, plant and equipments (net)	0.47	1.43
Interest income	(0.44)	(1.26)
Finance costs	249.41	268.49
3 Operating Profit before Working Capital Changes (1+2)	628.97	615.25
4 Change in Working Capital:		
Trade receivables, loans and advances and other assets	914.66	(31.14)
Non current Financial Assets, loans & advances & other non current assets	3.91	(9.77)
Inventories	(500.32)	(169.41)
Trade payables other liabilities and provisions	(20.97)	260.21
Change in Working Capital	397.28	49.89
5 Cash Generated From Operations (3+4)	1,026.25	665.14
6 Less : Taxes paid	(53.21)	(48.30)
7 Net Cash Flow from Operating Activities (A) (5-6)	973.04	616.84
<b>B Cash Flow from Investing Activities:</b>		
Purchase of fixed assets	(625.64)	(93.83)
Sale of fixed assets	0.86	11.40
Subsidy Received for capital goods (Net of amortisation)	(0.70)	-
Payables for capital goods	13.89	3.11
Interest received	1.14	1.73
Net Cash Generated/(Used) in Investing Activities (B):	(610.45)	(77.59)
<b>C Net Cash Flow From Financing Activities:</b>		
Short term secured loan	(147.15)	(63.43)
Short term unsecured loan	32.14	-
Proceeds from/(repayment) of long term unsecured loan	(7.48)	(54.98)
Repayment of Secured long term loan	(32.09)	(85.19)
Interest and financing charges	(249.41)	(268.49)
Dividend & dividend tax paid	(0.01)	(0.02)
Net Cash Used in Financing Activities (C):	(404.00)	(472.11)
<b>D Net Change in Cash &amp; cash equivalents (A+B+C)</b>	(41.41)	67.14
E - 1 Cash & cash equivalents as at end of the year	47.71	152.39
E - 2 Cash & cash equivalents as at the beginning of year	89.12	85.25



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Un-audited Financial Results for the quarter and half year ended 30th September, 2019

(₹ in lakhs)



Statement of Assets & Liabilities

Particulars	As At	As At
	30.09.2019	31.03.2019
	Unaudited	Audited
<b>A ASSETS</b>		
<b>1 Non Current Assets</b>		
(a) Property, Plant and Equipment	2,657.51	2,684.05
(b) Capital Work-in-Progress	603.20	66.38
(c) Intangible Assets	2.05	2.30
(d) Financial Assets		
(i) Investments	0.81	0.81
(ii) Loans	4.24	5.52
(iii) Other Financial Assets	152.42	155.05
(e) Other Non Current Assets	47.66	47.66
<b>Total - Non Current Assets</b>	<b>3,467.89</b>	<b>2,961.77</b>
<b>2 Current Assets</b>		
(a) Inventories	4,803.73	4,303.40
(b) Financial Assets		
(i) Trade Receivables	2,788.46	3,052.32
(ii) Cash and Cash Equivalent	47.71	89.12
(iii) Other Bank Balance	108.75	48.35
(iv) Loans	8.11	9.95
(v) Other Financial Assets	2.67	3.37
(c) Current Tax Assets (Net)	4.49	26.13
(d) Other Current Assets	1,224.89	1,934.25
<b>Total - Current Assets</b>	<b>8,988.81</b>	<b>9,466.89</b>
<b>TOTAL - ASSETS</b>	<b>12,456.70</b>	<b>12,428.66</b>
<b>B EQUITY AND LIABILITY</b>		
<b>1 Equity</b>		
(a) Equity Share Capital	304.00	304.00
(b) Other Equity	4,363.50	4,198.71
<b>Total - Equity</b>	<b>4,667.50</b>	<b>4,502.71</b>
<b>2 Liabilities</b>		
<b>Non Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	867.50	863.20
(b) Deferred tax Liabilities (Net)	193.91	223.26
(c) Other Non current liabilities	13.41	14.10
<b>Total - Non Current Liabilities</b>	<b>1,074.82</b>	<b>1,100.56</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	4,705.52	4,852.67
(ii) Trade Payables	1,337.56	1,311.08
(iii) Other Financial Liabilities	299.75	242.63
(b) Other Current Liabilities	371.55	419.01
<b>Total - Current Liabilities</b>	<b>6,714.38</b>	<b>6,825.39</b>
<b>TOTAL - EQUITY AND LIABILITY</b>	<b>12,456.70</b>	<b>12,428.66</b>

Notes to financial results :

1.The Un-audited Financial Results and Segment Results were reviewed by the Audit Committee and approved at the meeting of Board of Directors of the Company held on 14th November, 2019. The same has also been reviewed by the Statutory Auditors of the Company.

2.The Company has elected to exercise the option of lower of tax rate of 25.168% (inclusive of surcharge and cess) under section 115BBA of the income tax Act, 1961 as introduced by Taxation Laws (Amendment) Ordinance 2019. The full impact of this change has been recognised in tax expenses in the current quarter and six months ended 30th September 2019.

3.The Company does not have any exceptional item to report for the above periods.

4.Figure for the previous periods have been re-grouped & re-arranged so as to confirm to those of current period.

Date : 14.11.2019

Place : Kolkata

Shri Krishan Saraf  
Managing Director (DIN: 00128999)

