



THE RAMARAJU SURGICAL COTTON MILLS LIMITED
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STATEMENT OF UN-AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2020

(Rs. in Lakhs)

| Sl. No. | Particulars | STANDALONE | | | | | |
|---------|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------|
| | | Quarter ended | | | Half Year Ended | | Year ended |
| | | 30-09-2020 (Un-Audited) | 30-06-2020 (Un-Audited) | 30-09-2019 (Un-Audited) | 30-09-2020 (Un-Audited) | 30-09-2019 (Un-Audited) | 31-03-2020 (Audited) |
| 1 | a. Revenue from Operations | | | | | | |
| | Sale of Products | 7,352 | 3,613 | 7,571 | 10,965 | 14,863 | 29,308 |
| | Other Operating Income | 30 | 23 | 119 | 53 | 223 | 281 |
| | b. Other Income | 29 | 35 | 153 | 64 | 225 | 2,207 |
| | Total Revenue | 7,411 | 3,671 | 7,843 | 11,082 | 15,311 | 31,796 |
| 2 | Expenses | | | | | | |
| | a. Cost of Materials Consumed | 3,351 | 2,155 | 4,804 | 5,506 | 8,898 | 16,853 |
| | b. Purchases of Stock-in-trade | 149 | - | 389 | 149 | 510 | 720 |
| | c. Change in Inventories of Finished Goods, Work in progress and Stock-in-trade. | 667 | (110) | (802) | 557 | (863) | (523) |
| | d. Employee Benefit Expenses | 809 | 653 | 889 | 1,462 | 1,679 | 3,216 |
| | e. Power & Fuel | 394 | 285 | 519 | 679 | 1,213 | 2,708 |
| | f. Finance Cost | 569 | 591 | 699 | 1,160 | 1,365 | 2,774 |
| | g. Depreciation and Amortisation Expenses | 421 | 426 | 400 | 847 | 803 | 1,657 |
| | h. Other Expenditure | 741 | 390 | 920 | 1,131 | 1,767 | 3,389 |
| | Total Expenses | 7,101 | 4,390 | 7,818 | 11,491 | 15,372 | 30,794 |
| 3 | Profit / (Loss) from ordinary activities before Tax (1-2) | 310 | (719) | 25 | (409) | (61) | 1,002 |
| 4 | Tax Expenses | | | | | | |
| | - Current Tax - Under MAT | - | - | - | - | - | 131 |
| | - MAT Credit Entitlement | - | - | - | - | - | (131) |
| | - Deferred Tax | 66 | (140) | 8 | (74) | (12) | (248) |
| 5 | Net Profit / (Loss) for the period (3-4) | 244 | (579) | 17 | (335) | (49) | 1,250 |
| 6 | Other Comprehensive Income (net of tax) | - | - | - | - | - | (62) |
| 7 | Total Comprehensive Income after tax (5+6) | 244 | (579) | 17 | (335) | (49) | 1,188 |
| 8 | Paid-up Equity Share Capital (Face value of a Share of Rs 10/- each) | 395 | 395 | 395 | 395 | 395 | 395 |
| 9 | Other Equity | - | - | - | 6,766 | 5,885 | 7,122 |
| 10 | Earning Per Share of Rs. 10/- each (in Rs) (Not Annualised) | | | | | | |
| | Basic | 6.18 | (14.67) | 0.42 | (8.49) | (1.25) | 31.68 |
| | Diluted | 6.18 | (14.67) | 0.42 | (8.49) | (1.25) | 31.68 |



UN-AUDITED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lakhs)

| Particulars | STANDALONE | | | | | |
|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------|
| | Quarter ended | | | Half Year Ended | | Year ended |
| | 30-09-2020 (Un-Audited) | 30-06-2020 (Un-Audited) | 30-09-2019 (Un-Audited) | 30-09-2020 (Un-Audited) | 30-09-2019 (Un-Audited) | 31-03-2020 (Audited) |
| 1. Segment Revenue (Net Sales / Operating Income) | | | | | | |
| a) Textiles | 3,155 | 977 | 3,423 | 4,132 | 7,259 | 13,627 |
| b) Surgical | 838 | 703 | 993 | 1,541 | 1,911 | 3,738 |
| c) Fabrics | 4,673 | 2,396 | 3,887 | 7,069 | 7,337 | 15,385 |
| d) Wind Mills | 371 | 225 | 387 | 596 | 669 | 880 |
| | 9,037 | 4,301 | 8,690 | 13,338 | 17,176 | 33,630 |
| Less: Inter Segment Revenue | 1,655 | 665 | 1,000 | 2,320 | 2,090 | 4,041 |
| Total Income From Operations (Net) | 7,382 | 3,636 | 7,690 | 11,018 | 15,086 | 29,589 |
| 2. Segment Results Profit/(Loss) Before Finance Cost & Tax | | | | | | |
| a) Textiles | (127) | (439) | (2) | (566) | (49) | 1,473 |
| b) Surgical | 202 | 212 | 144 | 414 | 291 | 467 |
| c) Fabrics | 664 | 82 | 192 | 746 | 489 | 1,132 |
| d) Wind Mills | 277 | 135 | 275 | 412 | 458 | 498 |
| e) Unallocated Items | (137) | (118) | 115 | (255) | 115 | 206 |
| | 879 | (128) | 724 | 751 | 1,304 | 3,776 |
| Less: Finance Cost - Unallocable Expenditure | 569 | 591 | 699 | 1,160 | 1,365 | 2,774 |
| Profit / (Loss) Before Tax | 310 | (719) | 25 | (409) | (61) | 1,002 |
| 3. Capital Employed (Segment Assets - Segment Liabilities) | | | | | | |
| a) Textiles | 1,370 | 2,805 | (1,207) | 1,370 | (1,207) | (1,756) |
| b) Surgical | 840 | 466 | 4,155 | 840 | 4,155 | 4,908 |
| c) Fabrics | 2,347 | 1,032 | 552 | 2,347 | 552 | 1,584 |
| d) Wind Mills | 1,495 | 1,526 | 1,671 | 1,495 | 1,671 | 1,670 |
| e) Unallocated /Exceptional Items | 1,109 | 1,109 | 1,109 | 1,109 | 1,109 | 1,111 |
| Total | 7,161 | 6,938 | 6,280 | 7,161 | 6,280 | 7,517 |



STATEMENT OF ASSETS & LIABILITIES

| Particulars | STANDALONE | |
|--|---------------------|---------------------|
| | As at 30-09-2020 | As at 31-03-2020 |
| | (Un-Audited) | (Audited) |
| I ASSETS | | |
| (1) Non-Current Assets | | |
| Property, Plant and Equipment | 23,236 | 24,045 |
| Capital Work-in-progress | 7 | 27 |
| Intangible Assets | 6 | 6 |
| Investment Property | 6 | 6 |
| Investment in Associates | 1,097 | 1,097 |
| Financial Assets | | |
| Other Investment | 13 | 15 |
| Loans | 10 | 10 |
| Other Financial Assets | 477 | 537 |
| Other Non-Current Assets | 36 | 90 |
| Sub-Total | 24,888 | 25,833 |
| (2) Current Assets | | |
| Inventories | 7,705 | 8,315 |
| Financial Assets | | |
| Trade Receivables | 5,535 | 5,577 |
| Cash and Cash Equivalents | 24 | 167 |
| Bank Balance other than cash & Cash Equivalents | 8 | 8 |
| Other Financial Assets | 80 | 117 |
| Other Current Assets | 480 | 1,101 |
| Sub-Total | 13,832 | 15,285 |
| TOTAL ASSETS | 38,720 | 41,118 |
| II EQUITY AND LIABILITIES | | |
| (1) Equity | | |
| Equity Share Capital | 395 | 395 |
| Other Equity | 6,766 | 7,122 |
| Total Equity | 7,161 | 7,517 |
| (2) Liabilities | | |
| Non Current Liabilities | | |
| Financial Liabilities | | |
| Borrowings | 9,663 | 10,897 |
| Provisions | 134 | 138 |
| Deferred Tax Liabilities (Net) | 597 | 671 |
| Deferred Government Grants | 42 | 43 |
| Lease Liability | - | 61 |
| Sub-Total | 10,435 | 11,810 |
| Current Liabilities | | |
| Financial Liabilities | | |
| Borrowings | 13,604 | 15,915 |
| Trade Payables | 59 | - |
| - Total Outstanding dues of micro enterprises and small enterprises | 1,300 | 1,424 |
| - Total Outstanding dues of creditors other than micro enterprises and small enterprises | 5,754 | 4,069 |
| Other Financial Liabilities (*) | 368 | 187 |
| Provisions | 39 | 196 |
| Liabilities for Current Tax | 21,124 | 21,791 |
| Sub-Total | 38,720 | 41,118 |
| TOTAL EQUITY AND LIABILITIES | 38,720 | 41,118 |
| | 4,285 | 3,033 |
| (*) Includes Current maturities of Long term Borrowings | | |



**-(4)-
STANDALONE STATEMENT OF CASH FLOWS**

| | | (Rs. in Lakhs) | |
|--|------------------|-------------------|-------------------|
| | | 30-09-2020 | 30-09-2019 |
| A . Cash flow from Operating Activities | | | |
| Profit /(Loss) Before Tax | | (409.76) | (60.92) |
| Adjustments for reconcile Profit /(Loss) Before Tax to Net Cash Flows: | | | |
| Depreciation & Amortisation | | 847.32 | 802.62 |
| Finance Cost | | 1,159.96 | 1,364.91 |
| Interest Received | | (25.92) | (75.16) |
| Dividend Received | | (1.35) | (114.81) |
| (Profit) / Loss on Sale of Assets | | (2.81) | 55.60 |
| Operating Profit before Working capital Changes | | 1,567.44 | 1,972.24 |
| Movements in Working Capital: | | | |
| Gratuity and Government Grants | | (1.67) | (1.67) |
| Trade Receivables | | 42.13 | (2,484.01) |
| Loans and Advances | | 748.01 | (554.16) |
| Inventories | | 609.69 | (1,165.75) |
| Trade Payables & Current liabilities | | 1,636.53 | 4,108.99 |
| Cash generated from Operations | | 4,602.13 | 1,875.64 |
| Income tax (Paid) / Received | | 24.22 | |
| Net Cash Generating from Operating Activities | A | 4,626.35 | 1,875.64 |
| B. Cash Flow from Investing Activities : | | | |
| Purchase of Fixed Assets (Including Capital work-in-progress) | | (79.71) | (1,863.74) |
| Sale of Investment | | 1.76 | |
| Proceeds from Sale of Property, Plant & Equipments | | 7.02 | 287.43 |
| Interest Received | | 25.92 | 75.16 |
| Dividend Received | | 1.35 | 114.81 |
| Net Cash from / (used) in Investing Activities | B | (43.66) | (1,386.34) |
| C. Cash Flow from Financing Activities : | | | |
| Proceeds from Long Term Borrowings | | 496.00 | 2,094.00 |
| Repayment of Deposits - Related Parties | | (236.00) | (345.97) |
| Repayment of Long Term Loan | | (163.85) | (1,170.43) |
| Proceeds / (Repayment) of Short Term Borrowings (Net) | | (3,642.24) | 320.85 |
| Payment of Dividend and Tax thereon | | (19.73) | - |
| Finance Cost | | (1,159.96) | (1,364.91) |
| Net cash from / (used) in Financing Activities | C | (4,725.78) | (466.46) |
| Net Increase in Cash and Cash Equivalent | D=(A+B+C) | (143.09) | 22.84 |
| Opening balance of Cash and Cash Equivalents | E | 175.20 | 150.66 |
| Closing balance of Cash and Cash Equivalents | D+E | 32.11 | 173.50 |
| Notes: | | | |
| (i) The above Statement of Cash Flow has been prepared under 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow. | | | |
| (ii) For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the following | | | |
| PARTICULARS | | 30-09-2020 | 30-09-2019 |
| Cash and Cash Equivalents | | 24.02 | 162.95 |
| Bank Balances other than Cash and Cash Equivalents | | 8.09 | 10.55 |
| | | 32.11 | 173.50 |



Notes:

- 1) The above un-audited standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors at their Meetings held on 09-11-2020. The Statutory Auditors have carried out a limited review of the above results.
- 2) This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Sec 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3) The outbreak of Covid -19 , declared as global pandemic in the month of March 2020 and subsequently Government of India declared lockdown on March 23,2020 which got extended till second week of May 2020. Covid -19 has substantially impacted the normal business operations of the company during the first quarter of the fiscal year 2020-21. Production and supply of goods has commenced at various dates during the month of May 2020 and the company scaled up its operations by resuming operations at all of its manufacturing facilities. The company adopted measures to curb the spread of infection in order to protect the health of employees and to ensure business continuity with minimal disruption. Hence results of the quarter and half year ended 30th September 2020 are not comparable with previous quarter and corresponding quarter and half year ended 30th September 2019 respectively. The Company has made assessment of its liquidity position for the current year and the recoverability and carrying value of its assets comprising property, plant and equipment, inventories and trade receivables. The Company has considered internal and external sources of information for making said assessment. On the basis of said assessment, the Company expects to recover the carrying amount of these assets and no material adjustments is required in the financial results. Given the uncertainties associated with nature, condition and duration of COVID-19, the Company will closely monitor any material changes arising out of the future economic conditions and its impact on the business of the Company
- 4) Cost of Materials consumed for the quarter ended 30-06-2020 includes the impact of Mart to Market Loss on the valuation of cotton inventories of Rs.18.93 Lakhs (PY: NIL) and for the quarter / year ended 31-03-2020, it was Rs.149.83 Lakhs
- 5) As per Section 115BAA in the Income Tax Act, 1961, the Company has an irrevocable option of shifting to a lower tax rate and simultaneously forgo certain tax incentives, deductions and accumulated MAT credit. The Company has not exercised this option for the financial year 2020-21 in view of the benefits available under the existing tax regime.
- 6) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 7) The Previous period figures have been re-grouped / re-stated wherever necessary.



THE RAMARAJU SURGICAL COTTON MILLS LIMITED


P.R.VENKETRAMA RAJA
CHAIRMAN

Rajapalayam,
09-11-2020.



THE RAMARAJU SURGICAL COTTON MILLS LIMITED
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 CIN: L17111TN1939PLC002302
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Website: www.ramarajusurgical.com

STATEMENT OF UN-AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2020
 (Rs. in Lakhs)

| Sl. No. | Particulars | CONSOLIDATED | | | | | |
|---------|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------|
| | | Quarter ended | | | Half Year Ended | | Year ended |
| | | 30-09-2020 (Un-Audited) | 30-06-2020 (Un-Audited) | 30-09-2019 (Un-Audited) | 30-09-2020 (Un-Audited) | 30-09-2019 (Un-Audited) | 31-03-2020 (Audited) |
| 1 | a. Revenue from Operations | | | | | | |
| | Sale of Products | 7,352 | 3,613 | 7,571 | 10,965 | 14,863 | 29,308 |
| | Other Operating Income | 30 | 23 | 119 | 53 | 223 | 281 |
| | b. Other Income | 27 | 35 | 38 | 62 | 110 | 2,001 |
| | Total Revenue | 7,409 | 3,671 | 7,728 | 11,080 | 15,196 | 31,590 |
| 2 | Expenses | | | | | | |
| | a. Cost of Materials Consumed | 3,351 | 2,155 | 4,804 | 5,506 | 8,898 | 16,853 |
| | b. Purchases of Stock-in-trade | 149 | - | 389 | 149 | 510 | 720 |
| | c. Change in Inventories of Finished Goods, Work in progress and Stock-in-trade. | 667 | (110) | (802) | 557 | (863) | (523) |
| | d. Employee Benefit Expenses | 809 | 653 | 889 | 1,462 | 1,679 | 3,216 |
| | e. Power & Fuel | 394 | 285 | 519 | 679 | 1,213 | 2,708 |
| | f. Finance Cost | 569 | 591 | 699 | 1,160 | 1,365 | 2,774 |
| | g. Depreciation and Amortisation Expenses | 421 | 426 | 400 | 847 | 803 | 1,657 |
| | h. Other Expenditure | 741 | 390 | 920 | 1,131 | 1,767 | 3,389 |
| | Total Expenses | 7,101 | 4,390 | 7,818 | 11,491 | 15,372 | 30,794 |
| 3 | Profit / (Loss) from ordinary activities before Tax (1-2) | 308 | (719) | (90) | (411) | (176) | 796 |
| 4 | Tax Expenses | | | | | | |
| | - Current Tax - Under MAT | - | - | - | - | - | 131 |
| | - MAT Credit Entitlement | - | - | - | - | - | (131) |
| | - Deferred Tax | 66 | (140) | 8 | (74) | (12) | (248) |
| 5 | Profit / (Loss) from ordinary activities after Tax(3-4) | 242 | (579) | (98) | (337) | (164) | 1,044 |
| 6 | Share of Net Profit After Tax (PAT) of Associates accounted for using the equity method | 356 | 140 | 222 | 496 | 586 | 944 |
| 7 | Net Profit / (Loss) for the period (5+6) | 598 | (439) | 124 | 159 | 422 | 1,988 |
| 8 | Other Comprehensive Income (net of tax) | - | - | - | - | - | (62) |
| 9 | Share of OCI of Associates accounted for using the equity method | (1) | (1) | (1) | (2) | 3 | (8) |
| 10 | Total Comprehensive Income after tax (7+8+9) | 597 | (440) | 123 | 157 | 425 | 1,918 |
| 11 | Paid-up Equity Share Capital (Face value of a Share of Rs 10/- each) | 395 | 395 | 395 | 395 | 395 | 395 |
| 12 | Other Equity | - | - | - | 23,394 | 21,764 | 23,257 |
| 13 | Earning Per Share of Rs (in Lakhs) (Not Annualised) | | | | | | |
| | Basic | 15.14 | (11.13) | 3.13 | 4.02 | 10.68 | 50.38 |
| | Diluted | 15.14 | (11.13) | 3.13 | 4.02 | 10.68 | 50.38 |



UN-AUDITED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lakhs)

| Particulars | CONSOLIDATED | | | | | |
|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------|
| | Quarter ended | | | Half Year Ended | | Year ended |
| | 30-09-2020 (Un-Audited) | 30-06-2020 (Un-Audited) | 30-09-2019 (Un-Audited) | 30-09-2020 (Un-Audited) | 30-09-2019 (Un-Audited) | 31-03-2020 (Audited) |
| 1. Segment Revenue (Net Sales / Operating Income) | | | | | | |
| a) Textiles | 3,155 | 977 | 3,423 | 4,132 | 7,259 | 13,627 |
| b) Surgical | 838 | 703 | 993 | 1,541 | 1,911 | 3,738 |
| c) Fabrics | 4,673 | 2,396 | 3,887 | 7,069 | 7,337 | 15,385 |
| d) Wind Mills | 371 | 225 | 387 | 596 | 669 | 880 |
| | 9,037 | 4,301 | 8,690 | 13,338 | 17,176 | 33,630 |
| Less: Inter Segment Revenue | 1,655 | 665 | 1,000 | 2,320 | 2,090 | 4,041 |
| Total Income From Operations (Net) | 7,382 | 3,636 | 7,690 | 11,018 | 15,086 | 29,589 |
| 2. Segment Results Profit/(Loss) Before Finance Cost & Tax | | | | | | |
| a) Textiles | (127) | (439) | (2) | (566) | (49) | 1,473 |
| b) Surgical | 202 | 212 | 144 | 414 | 291 | 467 |
| c) Fabrics | 664 | 82 | 192 | 746 | 489 | 1,132 |
| d) Wind Mills | 277 | 135 | 275 | 412 | 458 | 498 |
| e) Unallocated Items | (139) | (118) | | (257) | | |
| | 877 | (128) | 609 | 749 | 1,189 | 3,570 |
| Less: Finance Cost - Unallocable Expenditure | 569 | 591 | 699 | 1,160 | 1,365 | 2,774 |
| Profit / (Loss) Before Tax | 308 | (719) | (90) | (411) | (176) | 796 |
| 3. Capital Employed (Segment Assets - Segment Liabilities) | | | | | | |
| a) Textiles | 1,370 | 2,805 | (1,207) | 1,370 | (1,207) | (1,756) |
| b) Surgical | 840 | 466 | 4,155 | 840 | 4,155 | 4,908 |
| c) Fabrics | 2,347 | 1,032 | 552 | 2,347 | 552 | 1,584 |
| d) Wind Mills | 1,495 | 1,526 | 1,671 | 1,495 | 1,671 | 1,671 |
| e) Unallocated /Exceptional Items | 17,737 | 17,384 | 16,988 | 17,737 | 16,988 | 17,245 |
| Total | 23,789 | 23,213 | 22,159 | 23,789 | 22,159 | 23,652 |



STATEMENT OF ASSETS & LIABILITIES

| Particulars | CONSOLIDATED | |
|--|-------------------------------------|----------------------------------|
| | As at 30-09-2020 (Un-Audited) | As at 31-03-2020 (Audited) |
| | I ASSETS | |
| (1) Non-Current Assets | | |
| Property, Plant and Equipment | 23,236 | 24,045 |
| Capital Work-in-progress | 7 | 27 |
| Intangible Assets | 6 | 6 |
| Investment Property | 6 | 6 |
| Investment in Associates | 17,726 | 17,232 |
| Financial Assets | | |
| Other Investment | 13 | 15 |
| Loans | 10 | 10 |
| Other Financial Assets | 477 | 537 |
| Other Non-Current Assets | 36 | 90 |
| Sub-Total | 41,517 | 41,968 |
| (2) Current Assets | | |
| Inventories | 7,705 | 8,315 |
| Financial Assets | | |
| Trade Receivables | 5,535 | 5,577 |
| Cash and Cash Equivalents | 24 | 167 |
| Bank Balance other than cash & Cash Equivalents | 8 | 8 |
| Other Financial Assets | 80 | 117 |
| Other Current Assets | 480 | 1,101 |
| Sub-Total | 13,832 | 15,285 |
| TOTAL ASSETS | 55,349 | 57,253 |
| II EQUITY AND LIABILITIES | | |
| (1) Equity | | |
| Equity Share Capital | 395 | 395 |
| Other Equity | 23,394 | 23,257 |
| Total Equity | 23,789 | 23,652 |
| (2) Liabilities | | |
| Non Current Liabilities | | |
| Financial Liabilities | | |
| Borrowings | 9,663 | 10,897 |
| Provisions | 134 | 138 |
| Deferred Tax Liabilities (Net) | 597 | 671 |
| Deferred Government Grants | 42 | 43 |
| Lease Liability | - | 61 |
| Sub-Total | 10,436 | 11,810 |
| Current Liabilities | | |
| Financial Liabilities | | |
| Borrowings | 13,604 | 15,915 |
| Trade Payables | | |
| - Total Outstanding dues of micro enterprises and small enterprises | 59 | - |
| - Total Outstanding dues of creditors other than micro enterprises and small enterprises | 1,300 | 1,424 |
| Other Financial Liabilities (*) | 5,754 | 4,069 |
| Provisions | 368 | 187 |
| Liabilities for Current Tax | 39 | 196 |
| Sub-Total | 21,124 | 21,791 |
| TOTAL EQUITY AND LIABILITIES | 55,349 | 57,253 |
| (*) Includes Current maturities of Long term Borrowings | 4,285 | 3,033 |



-(4)-
CONSOLIDATED STATEMENT OF CASH FLOWS

| | | (Rs. in Lakhs) | |
|--|------------------|-------------------|-------------------|
| | | 30-09-2020 | 30-09-2019 |
| A . Cash flow from Operating Activities | | | |
| Profit /(Loss) Before Tax | | (411.11) | (175.73) |
| Adjustments for reconcile Profit /(Loss) Before Tax to Net Cash Flows: | | | |
| Depreciation & Amortisation | | 847.32 | 802.62 |
| Finance Cost | | 1,159.96 | 1,364.91 |
| Interest Received | | (25.92) | (75.16) |
| (Profit) / Loss on Sale of Assets | | (2.81) | 55.60 |
| Operating Profit before Working capital Changes | | 1,567.44 | 1,972.24 |
| Movements in Working Capital: | | | |
| Gratuity and Government Grants | | (1.67) | (1.67) |
| Trade Receivables | | 42.13 | (2,484.01) |
| Loans and Advances | | 748.01 | (554.16) |
| Inventories | | 609.69 | (1,165.75) |
| Trade Payables & Current liabilities | | 1,636.53 | 4,108.99 |
| Cash generated from Operations | | 4,602.13 | 1,875.64 |
| Income tax (Paid) / Received | | 24.22 | |
| Net Cash Generating from Operating Activities | A | 4,626.35 | 1,875.64 |
| B. Cash Flow from Investing Activities : | | | |
| Purchase of Fixed Assets (Including Capital work-in-progress) | | (79.71) | (1,863.74) |
| Sale of Investment | | 1.76 | |
| Proceeds from Sale of Property, Plant & Equipments | | 7.02 | 287.43 |
| Interest Received | | 25.92 | 75.16 |
| Dividend Received | | 1.35 | 114.81 |
| Net Cash from / (used) in Investing Activities | B | (43.66) | (1,386.34) |
| C. Cash Flow from Financing Activities : | | | |
| Proceeds from Long Term Borrowings | | 496.00 | 2,094.00 |
| Repayment of Deposits - Related Parties | | (236.00) | (345.97) |
| Repayment of Long Term Loan | | (163.85) | (1,170.43) |
| Proceeds / (Repayment) of Short Term Borrowings (Net) | | (3,642.24) | 320.85 |
| Payment of Dividend and Tax thereon | | (19.73) | - |
| Finance Cost | | (1,159.96) | (1,364.91) |
| Net cash from / (used) in Financing Activities | C | (4,725.78) | (466.46) |
| Net Increase in Cash and Cash Equivalent | D=(A+B+C) | (143.09) | 22.84 |
| Opening balance of Cash and Cash Equivalents | E | 175.20 | 150.66 |
| Closing balance of Cash and Cash Equivalents | D+E | 32.11 | 173.50 |
| Notes: | | | |
| (i) The above Statement of Cash Flow has been prepared under 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flow. | | | |
| (ii) For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the following | | | |
| PARTICULARS | | 30-09-2020 | 30-09-2019 |
| Cash and Cash Equivalents | | 24.02 | 162.95 |
| Bank Balances other than Cash and Cash Equivalents | | 8.09 | 10.55 |
| | | 32.11 | 173.50 |



Notes:

- 1) The above un-audited consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors at their Meetings held on 09-11-2020. The Statutory Auditors have carried out a limited review of the above results.
- 2) This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Sec 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3) The outbreak of Covid -19 , declared as global pandemic in the month of March 2020 and subsequently Government of India declared lockdown on March 23,2020 which got extended till second week of May 2020. Covid -19 has substantially impacted the normal business operations of the company during the first quarter of the fiscal year 2020-21. Production and supply of goods has commenced at various dates during the month of May 2020 and the company scaled up its operations by resuming operations at all of its manufacturing facilities. The company adopted measures to curb the spread of infection in order to protect the health of employees and to ensure business continuity with minimal disruption. Hence results of the quarter and half year ended 30th September 2020 are not comparable with previous quarter and corresponding quarter and half year ended 30th September 2019 respectively. The Company has made assessment of its liquidity position for the current year and the recoverability and carrying value of its assets comprising property, plant and equipment, inventories and trade receivables. The Company has considered internal and external sources of information for making said assessment. On the basis of said assessment, the Company expects to recover the carrying amount of these assets and no material adjustments is required in the financial results. Given the uncertainties associated with nature, condition and duration of COVID-19, the Company will closely monitor any material changes arising out of the future economic conditions and its impact on the business of the Company
- 4) Cost of Materials consumed for the quarter ended 30-06-2020 includes the impact of Mart to Market Loss on the valuation of cotton inventories of Rs.18.93 Lakhs (PY: NIL) and for the quarter / year ended 31-03-2020, it was Rs.149.83 Lakhs
- 5) As per Section 115BAA in the Income Tax Act, 1961, the Company has an irrevocable option of shifting to a lower tax rate and simultaneously forgo certain tax incentives, deductions and accumulated MAT credit. The Company has not exercised this option for the financial year 2020-21 in view of the benefits available under the existing tax regime.
- 6) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 7) The Previous period figures have been re-grouped / re-stated wherever necessary.



THE RAMARAJU SURGICAL COTTON MILLS LIMITED

**P.R.VENKETRAMA RAJA
CHAIRMAN**

Rajapalayam,
09-11-2020.