

POLYGENTA TECHNOLOGIES LIMITED

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CIN: L17120MH1981PLC025388

Statement of Unaudited Financial Results for the quarter and Nine months ended 31st December, 2019

Rs. in Mn (Except per share data)

Sr.No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31/Dec/19	30/Sep/19	31/Dec/18	31/Dec/19	31/Dec/18	31/Mar/19
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income :						
	a) Revenue from operations	234.4	285.7	247.8	820.3	663.1	945.7
	b) Other Income	3.1	5.9	17.1	19.1	21.1	10.7
	Total Revenue	237.5	291.6	264.8	839.3	684.2	956.4
2	Expenses :						
	a) Cost of materials consumed	188.4	129.7	159.0	511.6	466.4	624.7
	b) Changes in Inventories of Finished goods/Work in Progress	(41.0)	32.7	2.4	(21.7)	(28.6)	(13.7)
	c) Manufacturing and Operating Costs	44.3	39.3	52.8	126.6	150.2	196.9
	d) Employee benefits expense	32.4	36.2	35.1	104.0	105.9	141.4
	e) Finance Costs	2.9	3.2	4.7	10.1	13.3	16.4
	f) Depreciation & Amortization expense	40.2	41.3	37.9	119.0	113.2	167.5
	g) Other expenses	15.3	21.0	14.0	62.9	48.3	63.7
	Total Expenses	282.6	303.3	305.9	912.5	868.7	1,197.0
3	Profit/(Loss) Before Tax (1-2)	(45.1)	(11.7)	(41.1)	(73.1)	(184.5)	(240.5)
4	Tax Expense	-	-	-	-	-	-
5	Net Profit/(Loss) for the period (3-4)	(45.1)	(11.7)	(41.1)	(73.1)	(184.5)	(240.5)
6	Other Comprehensive Income:						
	Items that will not be reclassified to profit or loss : Remeasurements of net defined benefit plans	-	-	0.4	-	1.3	(1.0)
7	Total Comprehensive Income for the period (5+6)	(45.1)	(11.7)	(40.7)	(73.1)	(183.3)	(241.6)
8	Paid-up Equity Share Capital (Face Value of Rs 10 per share)	1,562.1	1,562.1	1,562.1	1,562.1	1,562.1	1,562.1
9	Other Equity excluding revaluation reserve						444.3
10	Earnings per Share (EPS)						
	Basic & Diluted EPS (Rs)	(0.29)	(0.07)	(0.26)	(0.47)	(1.18)	(1.54)



Shattopadhyay

Notes:

- 1 The above financial results have been taken on record by the Audit Committee and subsequently approved by the Board of Directors in its meeting held on 11th February, 2020. The Statutory Auditors have carried out Limited Review of the same in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The Company is engaged in the business of manufacturing and selling polyester filament yarn (PFY) based on the "management approach" as defined in Ind-AS 108 - Operating Segments. The management evaluates the Company's performance and allocates resources based on an analysis of various performance indicators on this single business segment.
- 3 The Company's performance improved during the current financial year 2019-20 and it has been able to generate positive EBITDA but yet, the Company is unable to recover its depreciation cost given the present capacity constraint of the Plant. The Company is evaluating various alternatives to increase the capacity and inter-alia, to be able to make more value added products. As the first step to this, during the quarter the Company has installed machineries in November 2019 for setting up facility for production of Fully Drawn Yarn (FDY) a type of PFY, a speciality yarn which has the potential to yield better margin.

The Promoters of the Company viz. PerPETual Global Technologies Limited (PGTL) has always been extremely supportive of the Company's project. With such support continuing, the Company is confident that it will be able to expand its position in the market as a unique supplier of high quality yarns made from 100% post-consumer PET bottles, being recognized as a preferred supplier by many of the world's largest apparel brands.

In its effort to support the Company, PGTL has waived interest on various ECB as under -

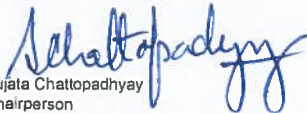
Particulars of ECB	Interest waived from	Interest waived upto
ECB of Euro 10 Million *	Beginning of the Disbursement	Upto 31Mar20
ECB of USD 20 Million and Euro 4.5 Million *		
Assigned ECBs of Euro 15 Million from Swedfund International Inc (Swedfund) and Finnish Fund for International Co-operation Limited *	From 1Sep16	

* Aggregate value considering exchange rate as on December 31, 2019 (including interest accrued on assigned ECB of Euro 15 Mn) is Rs 3,774.1 Mn

Considering what is stated above, the results are prepared on assumption of a Going Concern.

- 4 The above referred ECBs (including outstanding interest) were classified as Borrowings upto 31 March 2017. With the adoption of IndAS, these ECBs have been reclassified as "ECBs considered as equity in nature". However, the original contractual obligation for repayment in relation to these ECBs continues to exist.
- 5 The previous year's / period's figures have been re-grouped / re-arranged wherever necessary, to conform to the current period's presentation.

For Polygenta Technologies Limited


Sujata Chattopadhyay
Chairperson
DIN :2336683



Place : Mumbai

Date : 11th February, 2020

LIMITED REVIEW REPORT

**To the Board of Directors
Polygenta Technologies Limited**

1. We have reviewed the accompanying statement of unaudited financial results of **Polygenta Technologies Limited** ("the Company") for the quarter ended December 31, 2019 and year to date results for the period from April 01, 2019 to December 31, 2019 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulations 33 of the SEBI (Listing, Obligations and Disclosure requirements) Regulations, 2015 ('Listing regulations').
2. 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. 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 Indian Accounting Standards (Ind AS) 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 read with Circulars issued from time to time including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. **Emphasis of Matter:**

Without qualifying, we draw attention to note no. 3 of the attached financial results of the Company having been prepared on assumption of a going concern basis which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company has been continuously incurring losses over last several years and its net-worth stands fully eroded (without considering the ECBs which is considered as other equity in the financial statements). These conditions indicate the existence of uncertainty that may cast doubt about the Company's ability to continue as a going concern. However, management believes that it is appropriate to prepare the financial results on a going concern basis in view of reasons given here below and therefore, the financial results do not include any adjustments relating to the recoverability and classification of recorded assets and to the amounts of liabilities that might be necessary should the Company be unable to continue its operations as a going concern;

- (a) the Company's performance improved during the current financial year 2019-20 and it has been able to generate positive EBITDA.



(b) the Company has been evaluating various alternatives to increase the capacity and in the process, the Company has installed Fully Drawn Yarn (FDY) plant in November 2019, a speciality yarn which has the potential to yield better margin.

Besides, the Perpetual Global Technologies Limited (Holding Company) confirmed its intention to provide to the Company for the current financial year with the financial, technical and administrative support to the Company's operations and honor the commitments of the Company.

Our conclusion is not modified in respect of this matter.

For Bagaria and Co. LLP
Chartered Accountants
ICAI Firm Registration No. 113447W/W-
100019




Vinay Somani
Partner

Membership No. 143503

UDIN 20143503AAAAGF1985

Mumbai
February 11, 2020