

POLYGENTA TECHNOLOGIES LIMITED

Registered Office :- Kaledonia (HDIL) Building, Unit No.1B, 5th floor, Sahar Road, Off Western Express Highway, Andheri (East), Mumbai, 400 069

Ph: +91 22 6215 4087; Fax: +91 22 6215 4003; E-mail: info@polygenta.com; Website: www.polygenta.com

CIN: L17120MH1981PLC025388

Audited Financial Results for the Quarter and Year ended 31st March 2017

Rs. in Lacs (Except per share data)

r.No	Particulars	Quarter Ended			Year Ended	
		31/Mar/17	31/Dec/16	31/Mar/16	31/Mar/17	31/Mar/16
		Audited	Unaudited	Audited	Audited	Audited
1	Revenue from operations	1,142.46	1,422.00	1,096.62	5,055.49	4,691.06
2	Other Income	50.08	43.94	50.45	187.41	140.81
3	<b>Total Revenue (1+2)</b>	<b>1,192.54</b>	<b>1,465.94</b>	<b>1,147.07</b>	<b>5,242.89</b>	<b>4,831.87</b>
4	<b>Expenses</b>					
	a) Cost of materials consumed	1,120.95	778.98	1,021.45	4,330.76	3,809.11
	b) Change in Inventories of Finished goods/Work in Progress	(25.04)	589.26	(212.44)	329.92	113.38
	c) Power & Fuel	365.54	359.80	422.22	1,489.51	1,747.08
	d) Employee benefits expense	347.84	355.29	317.67	1,413.89	1,333.20
	e) Finance Costs - Refer Notes No 4	(120.78)	(97.75)	(627.11)	150.75	1,154.93
	f) Depreciation & Amortization expense	370.00	370.02	388.45	1,514.33	1,561.97
	g) Other expenses	178.26	98.43	241.55	719.16	807.67
	h) Foreign Exchange (Gain)/Loss	(6.44)	94.26	542.24	144.73	534.03
	<b>Total Expenses</b>	<b>2,230.32</b>	<b>2,548.29</b>	<b>2,094.03</b>	<b>10,093.05</b>	<b>11,061.37</b>
5	<b>Profit/ (Loss) before exceptional items (3-4)</b>	<b>(1,037.79)</b>	<b>(1,082.35)</b>	<b>(946.95)</b>	<b>(4,850.15)</b>	<b>(6,229.49)</b>
6	Exceptional items Income / ( Expenses )					
	- Reversal of Interest Payable to PGTL pertaining to earlier years	-	-	355.88	-	355.88
	- Subsidies/Incentives related to Mega Project	-	-	-	2,284.71	-
	- Reversal of Input Credit for earlier years	(48.99)	-	-	(48.99)	-
7	<b>Profit/(Loss) Before Tax (5+6)</b>	<b>(1,086.78)</b>	<b>(1,082.35)</b>	<b>(591.08)</b>	<b>(2,614.44)</b>	<b>(5,873.62)</b>
8	Tax Expense	-	-	-	-	-
9	<b>Profit /(Loss) after Tax (7-8)</b>	<b>(1,086.78)</b>	<b>(1,082.35)</b>	<b>(591.08)</b>	<b>(2,614.44)</b>	<b>(5,873.62)</b>
10	Earnings per Share (EPS)					
	- Basic & Diluted EPS Before Exceptional items (Rs)	(0.66)	(0.75)	(0.65)	(3.19)	(4.30)
	- Basic & Diluted EPS After Exceptional items (Rs)	(0.70)	(0.75)	(0.41)	(1.72)	(4.06)
	See accompanying notes to the financial results					

## Statement of Assets and Liabilities

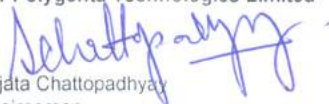
(Rs. In Lacs)

Particulars	As at	
	31.03.2017	31.03.2016
	Audited	Audited
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
(a) Share capital	15,620.65	15,620.65
(b) Reserves and surplus	(21,912.86)	(19,298.42)
<b>Subtotal - Shareholders' funds</b>	<b>(6,292.22)</b>	<b>(3,677.77)</b>
<b>Non-current liabilities</b>		
(a) Long-term borrowings	22,828.61	13,778.54
(b) Other long-term liabilities	3,525.80	-
<b>Subtotal - Non-current liabilities</b>	<b>26,354.41</b>	<b>13,778.54</b>
<b>Current liabilities</b>		
(a) Short-term borrowings	1,634.00	1,799.89
(b) Trade payables	696.69	817.41
(c) Other current liabilities	4,309.81	15,231.71
(d) Short-term provisions	129.84	92.97
<b>Subtotal - Current liabilities</b>	<b>6,770.34</b>	<b>17,941.98</b>
<b>Total Equity and Liabilities</b>	<b>26,832.54</b>	<b>28,042.75</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Fixed assets	20,727.55	23,109.16
(b) Long-term loans and advances	39.67	811.60
(c) Other non-current assets	2,421.97	717.15
<b>Subtotal - Non-current assets</b>	<b>23,189.19</b>	<b>24,637.91</b>
<b>Current assets</b>		
(a) Inventories	1,184.70	1,684.91
(b) Trade receivables	594.08	311.02
(c) Cash and bank balances	1,183.28	938.80
(d) Short-term loans and advances	329.63	67.19
(e) Other current assets	351.67	402.93
<b>Subtotal - Current assets</b>	<b>3,643.35</b>	<b>3,404.84</b>
<b>Total Assets</b>	<b>26,832.54</b>	<b>28,042.75</b>

**Note**

- 1 The above financial results have been taken on record by the Audit Committee and subsequently adopted by the Board of Directors in its meeting held on 26th May 2017. The statutory auditors of the Company have audited the financial results for the year ended 31st March 2017 and 31st March 2016. The figures for the quarter ended 31st March 2017 and 31st March 2016 as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date unaudited figures up to the end of the third quarter of the relevant financial year.
- 2 The Company is engaged in the business of manufacturing and selling polyester filament yarn (PFY). All of the Company's operations are based in India and are subject to the same risks and returns. Therefore, no separate segment disclosure is provided in terms of Accounting Standard-17, i.e. Segment Reporting.
- 3 Due to adverse market conditions (which were aggravated in Q3 and Q4 of FY 2016-17 owing to the demonetisation) and sub-optimal scale of operations, the Company continues to incur losses. As a result of the said losses, the Net Worth of the Company has been eroded completely. However, the Company is evaluating various alternatives / initiatives so as to address the sub-optimality of operations and to further improve our product performance in accordance with customer demands.  
  
The existing of the Company viz. PerPETual Global Technologies Limited ('PGTL') and its Lenders always have 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 and textiles made from 100% post-consumer PET bottles, being recognised as a preferred supplier by many of the world's largest apparel brands.  
  
PGTL, in its efforts to support the Company, has not charged any interest on External Commercial Borrowings (ECB) of sanctioned amounts USD 20 Million and Euro 4.5 Million.  
  
Further, during the year, the ECB Loans earlier granted by Swedfund International AB (Swedfund) and Finnish Fund for International Co-operation Ltd. (Finnfund) were assigned to PGTL along with interest accrued thereon. After assignment, PGTL has not charged any interest from September 2016 on the assigned ECBs. The accrued interest on these ECBs, amounting to Rs.352.6 million, which was assigned along with ECBs, was rescheduled by PGTL so that the next interest payment becomes due in April 2018.  
  
In addition to this, the Company has also received letter of support from PGTL for financial, technical and administrative support for the forthcoming 12 months.  
  
Based on the above, the Management has performed impairment test and is of the view that there is no impairment in the value of fixed assets.  
  
Considering what is stated above, the accounts are prepared based on the Principle of a Going Concern.
- 4 Finance cost is inclusive of Foreign Exchange Gain on ECB acquired for working capital purpose. During the quarter ended 31 March 2017 there is gain of INR 118.63 Lakhs. For quarter ended 31st December 2016 & quarter ended 30th September 2016 there was Foreign Exchange Gain of INR 142.27 Lakhs & INR 39.79 Lakhs respectively
- 5 Consequent to the repeal of the Companies (Sick Industrial Companies Special Provisions) Act, 1985, the company is no longer a sick company.
- 6 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 : 26th May, 2017

**INDEPENDENT AUDITOR'S REPORT**

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

1. We have audited the accompanying Statement of Standalone Financial Results of **Polygenta Technologies Limited** ('the Company') for the quarter and year ended March 31<sup>st</sup>, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related financial statement which are in accordance with the Accounting Standard 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 an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the significant accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
3. **Emphasis of Matters:**

Without qualifying, we draw attention to note no. 3 of the statement regarding the financial results of the Company prepared on going concern basis which contemplates the realization of assets and the satisfaction of liabilities in the normal course of the business. The Company has incurred a loss of Rs.1086.78 Lacs during the quarter ended March 31<sup>st</sup>, 2017 and as of the date its net worth has been eroded. These conditions indicate the existence of uncertainty that may cast doubt about the Company ability to continue as a going concern.

As explained by the management, modification has been / is being done in ReNew to operate plant at optimum level and improving the quality of the product. However, the Company continues to incur losses as the overall polyester industry is adversely affected due to weak market conditions and sub-optimal scale of operations. Due to above, the Company expects to achieve significant improvement in operating margins going forward. The management is negotiating with its lenders to reschedule/revise the terms of the debts. Also, the Parent Company has confirmed its intentions to provide to the Company for at least for the forthcoming 12 months with any financial, technical and administrative support it may require in order to pursue the operations and honoring the commitments.

Accordingly, management believes that it is appropriate to prepare the financial results on going concern basis. Therefore, the financial results do not include any adjustment 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 going concern.

4. In our opinion and to the best of our information and according to the explanations given to us the Statement;
- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - (ii) gives a true and fair view in conformity with aforesaid Accounting Standards and other accounting principles generally accepted in India of the net loss and other financial information of the Company for the year ended March 31<sup>st</sup>, 2017.

The Statement includes the results for the Quarter ended March 31<sup>st</sup>, 2017 being the balancing figure between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Place: Mumbai  
Date: 26<sup>th</sup> May, 2017

For LODHA & CO.  
Chartered Accountants  
Firm Registration No: 301051E

  
A.M. Hariharan  
Partner  
Membership No. 38323

