

POLYGENTA TECHNOLOGIES LIMITED

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CIN: L17120MH1981PLC025388

Statement of Unaudited Financial Results for the quarter and half year ended 30th September 2017

Rs. in Lacs (Except per share data)

Sr.No	Particulars	Quarter Ended			Half - Year Ended	
		30-Sep-17	30-Jun-17	30-Sep-16	30-Sep-17	30-Sep-16
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	Income :					
	a) Revenue from operations	1,476.64	1,716.94	1,375.68	3,193.58	2,861.18
	b) Other Income	52.04	80.05	24.80	132.08	46.75
	Total Revenue	1,528.68	1,796.98	1,400.48	3,325.66	2,907.93
2	Expenses :					
	a) Cost of materials consumed	953.90	1,574.44	1,304.70	2,528.33	2,430.83
	b) Change in Inventories of Finished goods/Work in Progress	213.07	(394.43)	(322.77)	(181.36)	(234.30)
	c) Excise Duty	-	184.49	181.53	184.49	323.51
	d) Manufacturing and Operating Costs	340.60	475.72	452.94	816.33	821.32
	e) Employee benefits expense	349.93	370.11	336.80	720.04	693.23
	f) Finance Costs	37.53	39.32	197.71	76.84	369.29
	g) Depreciation & Amortization expense	393.76	374.99	388.78	768.75	774.30
	h) Other expenses	138.97	186.63	175.10	325.59	363.22
	Total Expenses	2,427.75	2,811.26	2,694.79	5,239.02	5,541.40
3	Profit/ (Loss) before exceptional items (1-2)	(899.08)	(1,014.28)	(1,294.32)	(1,913.36)	(2,633.47)
4	Exceptional items Income / (Expenses) :					
	Subsidies/Incentives related to Mega Project	-	-	2,284.71	-	2,284.71
5	Profit/(Loss) Before Tax (3-/+4)	(899.08)	(1,014.28)	990.40	(1,913.36)	(348.76)
6	Tax Expense	-	-	-	-	-
7	Net Profit/(Loss) for the period (5-6)	(899.08)	(1,014.28)	990.40	(1,913.36)	(348.76)
8	Other Comprehensive Income:					
	a) Items that will not be reclassified to profit or loss	-	-	-	-	-
	b) Tax impact relating to items that will not be reclassified to profit or loss	-	-	-	-	-
9	Total Comprehensive Income for the period (7+8)	(899.08)	(1,014.28)	990.40	(1,913.36)	(348.76)
10	Paid-up Equity Share Capital (Face Value of Rs.10 per share)	1,562.07	1,562.07	1,562.07	1,562.07	1,562.07
11	Earnings per Share (EPS)					
	a) Basic & Diluted EPS Before Exceptional Items (Rs)	(0.58)	(0.65)	(0.86)	(1.22)	(1.78)
	b) Basic & Diluted EPS After Exceptional items (Rs)	(0.58)	(0.65)	0.66	(1.22)	(0.24)



Statement of Assets and Liabilities		(Rs. In Lacs)
Sl.	Particulars	As at
		30-Sep-17 Unaudited
I	ASSETS	
1	Non-current Assets	
	(a) Property, Plant and Equipment	19,268.83
	(b) Capital work - in - progress	1,629.36
	(c) Intangible assets	6.20
	(d) Intangible assets under development	-
	(e) <u>Financial Assets</u> :	
	Other financial assets	4.95
	(f) Deferred tax assets (net)	-
	(g) Other non - current assets	17.40
	Total Non-Current Assets	20,926.75
2	Current assets	
	(a) Inventories	1,165.36
	(b) <u>Financial Assets</u> :	
	(i) Trade and other receivables	844.41
	(ii) Cash and cash equivalents	92.89
	(iii) Bank Balances Other Than (ii) above	-
	Short - term loans and advances	-
	(iv) Other current financial assets	-
	(c) Current Tax Assets (Net)	15.69
	(d) Other current assets	1,424.79
	Total Current Assets	3,543.14
3	Non-current assets classified as held for sale	-
	TOTAL ASSETS	24,469.89
II	EQUITY AND LIABILITIES	
1	Equity	
	a) Equity share capital	15,620.65
	b) Other Equity	7,240.44
	Total Equity	22,861.10
2	Non-current liabilities	
	(a) Financial Liabilities	
	(i) Borrowings	-
	(ii) Other Financial Liabilities	-
	Total Non Current Liabilities	-
3	Current liabilities	
	(a) Financial Liabilities	
	(i) Borrowings	421.18
	(ii) Trade Payables	763.38
	(iii) Other Financial Liabilities	137.05
	(b) Other current liabilities	171.12
	(c) Provisions	116.06
	Total Current Liabilities	1,608.79
	Total Liabilities	1,608.79
4	Liabilities associated with group(s) of assets held for disposal	-
	TOTAL EQUITY AND LIABILITIES	24,469.89



Note

1 The above Unaudited Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on November 10, 2017. The limited review of unaudited financial results for the quarter and half year ended September 30, 2017 as required in terms of Clause 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by statutory auditors. The Ind AS compliant corresponding figures for the quarter and half year ended September 30, 2016 has not been subjected to review or audit. However, the Company's management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.

2 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013. Beginning April 1, 2017, the Company adopted Ind AS with a transition date April 1, 2016 and accordingly, restated results for the quarter and half year ended September 30, 2016.

This result has been prepared in accordance with regulation 33 of the SEBI (Listing Obligation and Disclosure Recruitments) Regulation, 2015 and its does not include Ind AS compliant results for the previous year ended 31st March, 2017 as it is not mandatory as per SEBI circular dated 5th July 2016.

The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below

Particulars	Quarter Ended	Half-Year Ended
	30/Sep/16	30/Sep/16
	Unaudited	Unaudited
Net profit / (loss) as per pervious Indian GAAP after tax		
Fair Valuation of financial liability	947.31	(445.30)
	43.09	96.54
Net profit before Other Comprehensive Income	990.40	(348.76)

There is a possibility that these quarterly financial results may require adjustment before constituting the final Ind AS financial statements as of and for the year ending March 31, 2018 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by MCA or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS as permitted under Ind AS 101.

3 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 Ind AS -108, i.e. Operating Segment.

4 Due to adverse market conditions and sub-optimal scale of operations, the Company continues to incur losses. The Company is evaluating various alternatives to increase the capacity. The Company is in advanced stage of finalising contract for setting up facility for production of Fully Drawn Yarn, a product with 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 and textiles made from 100% post-consumer PET bottles, being recognised as a preferred supplier by many of the world's largest apparel brands.

During the Quarter, the Company has received approval from RBI for External Commercial Borrowings (ECB) of Euro 10 Million from PGTL. Out of this Euro 0.65 Million was disbursed during the Quarter. PGTL, in its effort to support the Company, has waived interest on this ECB upto 30 September 2018. Earlier PGTL had waived the interest on ECB of sanctioned amounts USD 20 Million and Euro 4.5 Million upto 31 March 2018 from the beginning of disbursements. Further, PGTL had earlier waived interest from September 2016 to March 2018 on the assigned ECBs totaling Euro 15 Million from Swedfund International AB (Swedfund) and Finnish Fund for International Co-operation Ltd. (Finnfund).

Considering what is stated above, the accounts are prepared based on the Principle of a Going Concern.

5 Other Equity includes External Commercial Borrowings (including outstanding interest thereon) from Promoters were earlier classified as Long Term Borrowings. Though classified as Equity under Indian Accounting Standards (Ind AS), the nature of the ECB remains as Long Term Outside Borrowings and do not belong to the equity shareholders.

6 Pre-GST, the company was eligible for Mega project refund scheme from Maharashtra state government, mostly by way of refund of sales tax, post- GST pending notification from state government for continuance of the schemes, the Company has not recognised the aforesaid benefit in the quarter. If the Company had considered such benefit as applicable under erstwhile VAT regime, Revenue from Operations would have been higher by Rs.38 Million.

7 Post the applicability of Goods and Service Tax (GST) with effect from 1st July, 2017, revenue from operations is disclosed net of GST, whereas Excise Duty formed part of other expenses in previous periods/ year. Accordingly, the revenue from operations and other expenses for the quarter and half year ended 30th September, 2017 are not comparable with the previous periods/ year presented in the results.

8 The previous period's figures have been re-grouped/ re-classified wherever required to conform to current period's classification. All figures of financials has been rounded off to nearest Lacs rupees.

For Polygenta Technologies Limited

Sujata Chattopadhyay
 Sujata Chattopadhyay
 Chairperson
 DIN :2336683



LIMITED REVIEW REPORT

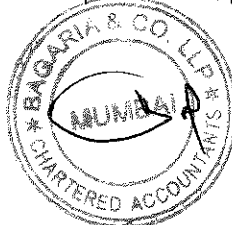
To the Board of Directors
Polygenta Technologies limited

1. We have reviewed the accompanying statement of unaudited financial results of **Polygenta Technologies Limited** ("the Company") for the quarter ended 30th September, 2017. The 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 this financial Statement based on our review.
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. 4 of the attached statement regarding the financial results of the Company having been prepared on 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 since last six years and its networth stands substantially eroded. These condition indicates the existence of uncertainty that may cast doubt about the Company's ability to continue as a going concern.

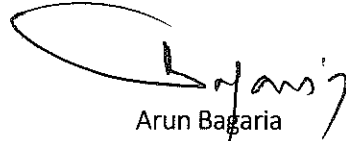
As explained by the management, due adverse market conditions and sub-optimal scale of operations, the Company continues to incur losses. However, the Company is evaluating various alternatives to increase the capacity. The Company is in advanced stage of finalising contract for setting up facility for production of Fully Drawn Yarn, a product with better margin. Also, the Parent 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.

Accordingly, management believes that it is appropriate to prepare the financial results on going concern basis. 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 going concern.



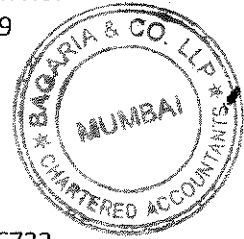
5. The comparative financial information of the Company for the corresponding quarter ended June 30, 2017 and for the quarter and the half year ended September 30, 2016 were reviewed by predecessor auditor who expressed an unmodified conclusion/ opinion on those financial results on September 1, 2017 and November 10, 2016 respectively.

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



Arun Bagaria
Partner

Membership No. 036732



Mumbai
10 November, 2017